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

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**EVIDENCE**

**Monday, May 11, 2009**

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**Chair**

**Mr. Dean Allison**

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

Monday, May 11, 2009

• (1040)

[English]

**The Chair (Mr. Dean Allison (Niagara West—Glanbrook, CPC)):** Welcome back.

Pursuant to Standing Order 108(2), we're continuing our study of the federal contribution to reducing poverty in Canada. Welcome to our twenty-first meeting and our second meeting here as we hear from our witnesses.

Once again, I'd like to extend a greeting on behalf of the HUMA committee as we are embarking on our study across the country to talk about some of the issues.

I want to welcome Mr. Sinclair, who is from the Face of Poverty Consultation, as well as Mr. Poworoznyk, from the Saint Leonard's Society of Nova Scotia. We will start with Mr. Sinclair.

You have some opening minutes. I know that we've suggested five minutes, but if you need a little more time, I think we're pretty flexible.

**Dr. Alasdair Sinclair (Professor Emeritus (Economics), Dalhousie University, Face of Poverty Consultation):** I was told five minutes and four points, and it's four points, of course, because this is the Four Points hotel. I didn't realize that until I got here.

**Voices:** Oh, oh!

**The Chair:** That's right. We didn't want to stay with the six or seven points.

Sir, the floor is yours. You have about five minutes or however much time you need.

**Dr. Alasdair Sinclair:** Thank you.

The Face of Poverty Consultation is an interfaith group that seeks to increase public awareness of poverty issues and to promote action by governments to improve the situation in Nova Scotia. We are pleased to be able to make this presentation today.

Poverty is an issue in good times, and even more so in the current economic downturn. We focus on four areas where federal action can alleviate the problems of those in poverty in Canada while recognizing the importance of other issues, including global warming, foreign aid to developing countries, and financial regulation in the current global context, all of which could have an impact on our poverty in Canada.

Our first issue is much in the news but bears repetition: the reform of the employment insurance system to increase access and reduce discrimination. Increasing access can be achieved by a reduction in the number of hours of work required to be eligible for support. Reducing discrimination means having common standards re hours of work and benefits across the country.

We support the suggestion that the number of hours of work be standardized to 360 hours, down from the range of 420 to 700 hours currently in effect across the country. In a period when economic stimulus is essential to prevent a downturn, it is clear that EI payments will be spent and not saved. I'd like to emphasize that point, because the stimulus effect of expenditures by the federal government is an important component today, and I don't think there's anything that would be spent faster than increases in EI, because obviously the people will spend the money.

Our second issue relates to housing. The first report card on ending homelessness in HRM, which I'm waving in front of me, the "Halifax Report Card on Homelessness 2009", was produced by Community Action on Homelessness for the period of January 1 to December 31. I think you heard from them earlier today. It shows clearly the need for more affordable housing, including accommodation for those who cannot maintain housing independently and who require a form of group housing. They don't use that term, but that was the term I grew up with.

Group housing is important. As shown in the report, many of the people who are homeless have mental and other physical problems that make it very difficult for them to run what we might call a standard house. This is an area where federal financial support is critical and needs to be increased, with suitable pressure on the province to do its part.

Our third issue is early child care. While there is some tax relief for child care payments by parents, this is of no benefit to those in poverty who do not make enough to pay income tax. A similar problem arises with respect to the tax credit for children in the sports program. The federal government should work with the province to develop a program for support of children that includes all children, irrespective of their parents' income.

One of the things we do at the Face of Poverty Consultation is have an annual service on the anniversary of the promise in Parliament in 1989 that we'd eliminate child poverty. Well, that's still a goal that we might look for: to eliminate child poverty.

Our fourth issue is the progressiveness of the federal tax system. Some studies show that when all aspects of the tax system are examined, the tax system loses those progressive features it has at high incomes. At the same time, inequality of incomes is increasing, not just in Canada but globally.

These are difficult issues at the national level, but federal policy is essential to provide support for those on lower incomes, while increasing taxes on those with high incomes and wealth.

Those are my four points.

**The Chair:** Thank you, Mr. Sinclair.

Sir, you have five minutes.

**Mr. Michael Poworoznyk (Director of Operations, Saint Leonard's Society of Nova Scotia):** I'm Michael Poworoznyk, an operations director at Saint Leonard's Society of Nova Scotia. Saint Leonard's Society of Nova Scotia has recently merged with Metro Turning Point Centre. Metro Turning Point Centre is one of our facilities at Saint Leonard's now. It is Atlantic Canada's largest emergency men's shelter, with 75 beds providing emergency shelter to men over 16. We have Barry House as well, which is a women's shelter with 20 beds, and we have a men's halfway house with 21 beds and a women's halfway house with 8 beds. So we have a diverse range of services that provide help to people to assist them from crisis back to community. We see people arriving at our doors in various states of crisis.

I think I would echo a lot of things that have been said to you across the country, but housing is probably one of our number one concerns. Our effort in our organization is to navigate people to safe affordable housing—housing that is in community and helps them integrate into community. So there are a number of features to that type of housing. It needs to be safe and affordable. We can find unsafe affordable housing in rooming houses and so on that are substandard. We're even hearing that landlords are getting out of that business because they can't make enough money to update their buildings and so on. We can find safe unaffordable housing, where many of us would live.

But the real feature we look at is not to have extensive social housing being built all in one place, because those activities of the seventies and so on really created neighbourhoods that had a single-income feature or a homogeneous population in terms of their poverty status. That ghettoization is really problematic. So we would advocate for supported housing models that have been pioneered in many places. Many of you are familiar with Ottawa; there's a great scattered housing program there. Hostels-to-homes programs exist throughout the country. We would look forward to seeing federal support for those.

When we look at that kind of thing, that kind of housing definitely needs infrastructure. We definitely need to build some. I think that's a good place to start. That has been done by HPS, for example, over the last little while and SCPI before that.

But where the real crux of the matter comes is in providing supports. Those supports need a funding source. That investment needs to be ongoing and sustainable. The idea that organizations apply for government funding as a pilot, or as an initial investment, and hope to build.... We're always challenged by funders to build sustainability. I think it's time for the decision-makers and the policy-makers to start working out how we create a core funding option for some of these things, much like the health care system or the justice system. We consider the proactive investment as just that: a proactive investment that delivers returns. There are research papers galore that really emphasize that a proactive investment socially does produce returns in justice and health. So we need to see that.

The other thing I would say is that at Saint Leonard's we have looked at options of how to partner. Of course, as Metro Turning Point and Saint Leonard's began that discussion, we were very open about taking risks and doing that. I would urge and challenge our policy-makers to reward partnership, to figure out how to reward partnership instead of seeing partnership as an opportunity for gaining efficiencies, which typically equals saving money. Instead, be able to offer agencies that are willing to develop a full partnership, which share staff or facilities or budget in some way, an opportunity to have a bit of financial plus given into their budget. That way, they can, one, begin to cover the actual cost of the partnership and, two, begin to invest in studying that partnership.

Some agencies aren't as adept as others at writing those things into their budgets. But it's important to reward those partnerships and see that happening and to see what real partnership is. It's more than referral—saying if we can't serve a client and agency X can, we're going to send that client there. Well that's great collaboration. It develops from referral, where we might start to see staff understanding their niches and beginning to function in them. But real partnership goes from the front door to the finance office. We successfully developed that with Metro Turning Point and Saint Leonard's. That led us into a merger, and that will produce a return on investment of efficiency over time, I'm sure, but initially there are some costs.

● (1045)

Then the final thing I would say to challenge our policy-makers is that we are in an economic downturn and requiring stimulus. I think the economic downturn has produced a bit of a revolution in understanding that life is not about defining "more" and how to get it; instead, people are starting to be challenged to define "enough" and how to give more away. I would urge our policy-makers to support that philanthropic revolution and to up the tax credit for donors who are donating to our organizations.

I'm very happy, when I donate to political parties, that I get 75% as a return. However, when I donate to my favourite charities, it's a substantially lower tax credit. I think there is something to be said. That is a financial piece that isn't necessarily widespread, but it could be a way to inspire more of that involvement. As well, when people put investment from their wallet, they often put more investment from their time and energy, and they get to know the issues. I really believe that the more people know how to help, the more they will help, and we will create a better community. As people get involved, as people we serve get into scattered housing and their housing is among other people in our community with differing backgrounds, the primary feature of relationships then is not their addiction, their mental health status, or their poverty; it becomes two people in a laundry room doing laundry together in an apartment. Landscaper Bob says to formerly homeless Bill, who just got an apartment, "My place is hiring, man. You look like you could do something. If you want to get involved, I know I can get you in."

With those networking opportunities, people start to build community. That's really what we're looking at. That can make a substantial impact for a relatively low cost.

**The Chair:** Thank you, Mr. Poworoznyk.

I appreciate your talking about that. I know it's the first time I've actually heard it in our hearings in terms of adjusting the rate that people offer in terms of donations. Once again, as we hear a variety of ideas, it's not just one thing; it might be a combination. I appreciate that thought process, because it would potentially encourage more giving if we adjusted the tax rate. Maybe we'll get back to that a little bit later.

Thanks again for your presentation.

We're now going to move over to Ms. Sutherland.

Thank you for being here. You've got five minutes or thereabouts for your presentation.

•(1050)

**Ms. Betty Jean Sutherland (Equality Representative, Canadian Union of Public Employees - Nova Scotia):** Thank you very much. I would have been on time, but I couldn't find parking.

The Canadian Union of Public Employees-Atlantic Region represents approximately 16,000 Nova Scotia members, and we have approximately 6,000 members who reside in Newfoundland and Labrador. We are citizens, voters, and taxpayers of Canada. We have a great interest in the work of the Standing Committee on Human Resources, Social Development and the Status of Persons with Disabilities and its study on the federal government's contribution to reducing poverty in Canada.

By Canadian standards, Nova Scotia is definitely not a high-wage province. In 2007, more than one out of every four people worked in Nova Scotia for less than \$10 an hour. By this standard, Nova Scotia has the third highest proportion of low-paid workers in the country, after Prince Edward Island and Newfoundland and Labrador. The province also has the third lowest average hourly wage, above New Brunswick and P.E.I., and roughly on par with Newfoundland and Labrador. Based on Statistics Canada's low-income cut-off in 2006, 8.4% of Nova Scotians were living in low-income situations. The Province of Newfoundland adopted a poverty reduction strategy in

2006. In 2004, Statistics Canada information determined that some 62,000 individuals living in 33,000 families in Newfoundland and Labrador were living in poverty.

CUPE Atlantic will address the role that the federal government should play in addressing poverty in five particular areas: employment insurance, the Canada-Quebec Pension Plan and old age security, literacy, child care, and minimum wage.

On employment insurance, CUPE Atlantic urges the federal government to make the following immediate changes: revise EI legislation so that all mandatory EI premiums are returned as benefits to workers; reduce the number of qualifying hours for regular benefits to 360, increase the benefit to at least 60% of earnings over the best 12 weeks, increase the amount of time workers receive benefits to 50 weeks, provide training for laid-off workers to access the new jobs created through public investment, and cancel plans for EI office closures.

On the Canada-Quebec Pension Plan and old age security, in the last century trade unions and other popular organizations demanded that the Government of Canada establish a comprehensive, earnings-based, universal public pension that would provide all workers with adequate retirement income. In the 1960s, Canadians went some way toward that goal with the creation of the Canada-Quebec Pension Plan and the old age security system.

The Canada-Quebec Pension Plan is designed to provide some measure of dignity to Canadians as they age. It is a tremendous social program success story. It ensures a minimum retirement income for some 93% of working Canadians through the use of mandatory enrolment, funding security, inflation protection through indexation, portability, and disability provisions. However, it only provides for an earning replacement rate of 25% of earnings up to the average industrial wage. As of 2009, this provided a maximum monthly payment of \$908.75 for a 65-year-old who had maximum workforce participation with maximum earnings. In reality, the average monthly benefit payable is only \$501.82, which reflects the number of part-time workers and workers who have taken leaves of absence from the paid employment market due to pregnancy leave, parental leave, and compassionate care leave, for example. This disproportionately affects women workers.

On literacy, for CUPE, reading and writing are not ends in themselves. We understand literacy to be about reading the world, not just the words. Literacy is a tool for equity and social change—a means to further equality and access. We describe literacy as the skills we need for work, learning, and life. Workplace programs include reading, writing, math, using computers, oral communication, and English or French as a second or other language, upgraded for certification or for further education and critical thinking.

•(1055)

On child care as a part of the comprehensive poverty reduction strategy, CUPE insists on the creation of a pan-Canadian, public, non-profit, affordable, high-quality early learning and child care program to deliver a framework and conditions to ensure quality, affordable, public, non-profit, accessible, and inclusive child care programs for parents and their children.

On minimum wage, CUPE Atlantic knows that the federal government cannot legislate minimum wages for each province. However, this committee can certainly point to the effect that higher wages can have on the Canadian community. Higher wages can increase the independence and self-sufficiency of teens and youth, enabling young adults to leave home and to help reduce post-secondary education debt, provide a better tax base on which to build healthy communities, and inject more disposable income to be spent on consumer goods and services in support of the local economy. This is especially true since people with marginal incomes are more likely to spend money locally.

Low-income individuals spend almost all of their income locally on rent, goods, and services. Higher-income earners, those who would benefit noticeably from a tax cut, are more likely to save the extra tax rebate, especially during an economic downturn. An increase in social assistance as well as an increase in minimum wage will mean more money in people's pockets to spend locally.

CUPE Atlantic Region appreciates the opportunity to present just a few of its ideas for a poverty reduction strategy for Canada. Thank you.

**The Chair:** Thank you, Ms. Sutherland.

We're going to start with two rounds of questions. The first one will be seven minutes for questions and answers.

I will just let you know that there is translation available if you require it. English is on channel one. When Madame Beaudin asks questions, I know they will be in French.

Mr. Savage, you have the floor, sir.

**Mr. Michael Savage (Dartmouth—Cole Harbour, Lib.):** Thank you very much.

Thank you all for coming today.

I'm pleased that later on today, Michael, we're going to have a chance to see the Metro Turning Point shelter and the important work that you do. I want to ask you a question after I go to the Face of Poverty group and perhaps to Betty Jean on two issues: EI and the child tax benefit.

Your group, Alasdair, has done some tremendous work, and I've had the opportunity to meet with them fairly regularly. I see Caroline is here. She's a regular in my office. We recently had a chance to have her attend as part of our discussion on poverty with Ken Dryden. I feel like we have to preface all of these meetings around the country with the fact that we know that a lot of you have talked about this a lot. As Claudia Jahn said this morning, any chance we have to talk about it is good, and hopefully we'll produce some significant recommendations.

I spend a lot of time talking about EI these days, as do a lot of people. Sometimes people in my own Liberal caucus have said over the past year, as well, "EI is an issue for you because you're from Atlantic Canada." Well, that's not entirely true. Where I live, for example, in Halifax, and where Megan lives, you need 700 hours. You need the maximum number of hours to qualify for EI. There are areas where the economy has struggled—Cape Breton, where it's 420. This is why it's good to go around the country. You get a sense of the fact that things vary from area to area. But we do have people who could conceivably work in the same place, who could be laid off, and one could qualify for EI and one might not, because there are 58 regions. Nova Scotia, I think, has four or five of those. I think your recommendation is an important one.

On the child tax benefit, the Caledon Institute have been great crusaders for social change. They presented to our committee last month, and in part of their presentation they said that, in fact, governments have made more progress against poverty than many people realize, even though there's still a long way to go and the challenge is daunting. Canada has made substantial strides in reducing poverty among the elderly and some among children.

We haven't done anywhere near enough, but their point is that there are some vehicles there that we can use, and one of them is the child tax benefit. I know you are among the groups that call for us to raise that to \$5,200 a year. I also think you're among the groups that have suggested that the universal child care benefit would have been better served to take that \$2.5 billion and put it to the child tax benefit and the low-income supplement of the child tax benefit.

Do you want to chat about how important that is for low-income families?

•(1100)

**Dr. Alasdair Sinclair:** Well, yes, but our point also is that to pay taxes, you have to have a pretty high income. The program has to impact on those who don't pay taxes. There has to be a program for those who are below that.

I agree that the tax credit, for those who pay taxes, for child care should be increased, because unless we get the system supported by Betty, we have expensive child care. My daughter is in the business. I know that child care is an industry like any other, and high rates are charged when it's possible to do so.

So I think you need both. You need more tax credit, but you need some solution for those who don't pay taxes.

**Mr. Michael Savage:** You don't have to pay taxes to get the benefit of some things in the tax system. You could double the GST tax credit, for example. You don't have to pay tax to get that.

**Dr. Alasdair Sinclair:** That's right.

**Mr. Michael Savage:** When I talk about the tax system, I very strongly believe that if you say you're going to reduce taxes, even at the lowest marginal rates, I get the benefit of that as well. If you're going to target your assistance, there are better ways of doing it. I think we would all agree on that.

Michael, this leads to my second point. When you go to the Metro Turning Point shelter, or you go to Hope Cottage, or you go to missions around the country, there are people the tax system will never touch. Outside of working income tax benefit, GIS, and things like that, what do we need to do, as a federal government, to assist you in the work you do at the Metro Turning Point shelter, for example? What specific initiatives would assist people who have mental health issues or addiction issues? What would you recommend the federal government's role should be there?

**Mr. Michael Poworoznyk:** In terms of tax?

**Mr. Michael Savage:** No, in terms of direct social investment.

**Mr. Michael Poworoznyk:** One of the things I often tell people is this. They often want to buy a project or a specific program that's very time limited. What the people who arrive at our door need is ongoing, very consistent help. We need funding on an ongoing basis for the support services we provide.

Current federal programs fund predominantly infrastructure pieces in terms of the poverty reduction strategy or the homelessness partnering strategy. It's funding predominantly bricks and mortar kinds of things, and small pilots. That needs to convert to ongoing, sustainable funding for programs that have been proven to work. Supporting some of the staff time that's needed to provide the kind of help and support that people need to navigate the system and to access existing supports that are already there would be a major step forward.

I'll just come back to the point that we have to figure out ways to reward partnerships between sectors as well. Social services are encompassed in the health care sector. They're encompassed in the social service sector that's provincially funded here by the Department of Community Services. It's also within the federal funding for employment strategies. For example, a guy coming to our shelter would have three different case managers. If I add the incarceration piece, he may go into jail if it's a short time, but he may also have an additional worker in there for discharge planning and so on. That seems to me like a bit of a duplication. If there are ways to foster that partnership among all of those things and create a little bit better horizontal governance of some of that programming, that would also be advantageous.

I think the way to support that would be to offer an RFP for something like that, with a duration that you could then measure, with a research component.

Those are just some brainstorming ideas.

• (1105)

**Mr. Michael Savage:** What percentage of the clients you have would have mental health and addiction issues?

**Mr. Michael Poworoznyk:** The homelessness report card document probably indicates that pretty clearly. I would say that we have a very high percentage.

Is it in there?

**Dr. Alasdair Sinclair:** I think so.

**Mr. Michael Poworoznyk:** Yes, the percentage that's listed there is 50%. But we have a difficulty in that whether or not a person is diagnosed becomes a critical part of whether or not that would necessarily get listed. In terms of self-reporting, they're often hiding it due to stigma. But when we think about functioning on an everyday level, interacting in relationships, most of the guys we're seeing at the shelter for men are definitely experiencing some mental health problem.

Just logically, if you think about your life and going into a shelter and the circumstances surrounding that, it would be very hard to avoid depression and, after a while, very hard to avoid anti-social personality kinds of things, just because of the nature of what happens and the unofficial codes of the street that people interact under. Those things are very difficult for people to understand, I think, if they haven't walked in those shoes.

So I would say that we probably have well over 95%, if not 100%, of people who are experiencing some sort of mental health issue.

**The Chair:** Thank you, Michael and Michael.

We're going to move to Madame Beaudin for seven minutes.

[*Translation*]

**Mrs. Josée Beaudin (Saint-Lambert, BQ):** Thank you very much, Mr. Chair.

Good day everyone. I am from Quebec where you can also find these types of shelters for men and women. One of the major problems encountered is ensuring that follow-up services are provided to these individuals once they move into supported housing. These follow-up services may be provided for a period of six months to a year, a year and a half, two years and ever longer. Do you encounter similar problems, in terms of finding the human resources needed to continue helping these individuals?

[*English*]

**Mr. Michael Poworoznyk:** Yes, I would say that it's definitely a major issue here. I know that in our organization, one of our trials is funding to pursue people once they've left the shelter. People will report that they've moved into an apartment, and unless we know that landlord or know that apartment address, we're not sure whether that's safe and affordable, in some cases.

So outreach and support would be very important, as would a men in supported housing program. In this city, we have a women in supported housing program. Women are moved into scattered units throughout the city and are supported with visits and whatever they need. They can call. And the services are very flexible. We would like to see a similar men in supported housing program. And while who funds that is discussed—provincial or federal—I think a federal strategy on funding those types of things.... Hostels-to-homes programs are now pretty active in many jurisdictions. They take on various forms and models, but that supported housing program is very effective. And you're right, outreach becomes very critical.

I would say that the same is true in employment programming. As we start to look down the road at Saint Leonard's, at our employment programming, we recognize that people don't lose their jobs because of hard skill issues; they lose their jobs because of soft skill issues. People need a "relationship and work attitude" apprenticeship program much more than they need a hard skill apprenticeship. And that's the nature of what supported housing means. People are moved into supported housing, and that outreach support provides that mentorship on how to relate to your landlord, how to manage your time budget so that you have time for cleaning and food preparation, and how to shop on a budget, provided you have some semblance of income, which we could talk about as well. But outreach is key.

[Translation]

**Mrs. Josée Beaudin:** Thank you very much.

I'd like to come back to you, Ms. Sutherland. Very little mention is made of literacy, although you did talk about this whole issue of literacy education. In your opinion, what percentage of people would need some training? I'm referring to training people to acquire the skills to read very simple documents. Is there a glaring need for this kind of literacy training?

• (1110)

[English]

**Ms. Betty Jean Sutherland:** We find it more and more common. In Nova Scotia we have a very high illiteracy rate. What we find most concerning is that when we lose jobs, when we have shutdowns of employers, factories, or whatever, and they're in that transition period, we discover that we have a lot of workers out there on the shop floor who can't comprehend, number one, from our perspective, our collective agreements and what their rights and benefits are. When you look at it from that perspective, you also realize that on the shop floor they can't read the employer's policies and procedures either. It goes a long way to making us concerned about health and safety in the workplace when you have that low literacy level.

We're continuously out there. We run literacy programs through our union. We have a very progressive program to reach our members. But on the whole, literacy is a problem in Nova Scotia and in Newfoundland and Labrador.

[Translation]

**Mrs. Josée Beaudin:** In your opinion, is there one segment of the population that urgently requires assistance and if so, which one? My question is directed to the three witnesses. I'm talking here about young children, women, single persons, aboriginals and immigrants.

[English]

**Dr. Alasdair Sinclair:** Let me just say I was a member of the committee that recommended the report here, and what struck me was how difficult it is for people with disabilities to handle the current situation, because everybody thinks the person will get rid of the disability and they will be in the labour force. And that is not true.

I'm not saying it's the key, but it's an important one.

**Mr. Michael Poworoznyk:** I would say that disability does span most people in poverty. But looking at supports that are out there in terms of housing right now in our city, there is a supportive housing program for women, there are a number of women's shelters, there are second-stage options in terms of housing for women, but those same options don't exist for men. We've been trying to mitigate that. There are a couple of programs that have just built new units from federal funding, and there are a number of men going into those units. But we recognize a bit of a gap. Single men are very isolated and need that opportunity, so that may be a group to think about.

**Ms. Betty Jean Sutherland:** From our perspective, we'd like to see all of the avenues worked on, of course, but if we had to pick one that has importance or maybe stands out from the others, it would be affordable child care. It's keeping women out of the job market, and it has become almost a crisis in that we can't get affordable and timely child care.

**The Chair:** Thank you very much, Madam Beaudin.

Ms. Leslie, seven minutes.

**Ms. Megan Leslie (Halifax, NDP):** Thank you, Mr. Chair.

Thank you very much for your presentations. I learned quite a bit. It's good to see some familiar faces here.

My first question is for Alasdair. Alasdair, you and I worked quite a bit on interventions in front of the Utility and Review Board here around energy poverty. If I can still be a member of community-based organizations, we are both members of the Affordable Energy Coalition and we've worked a lot on energy poverty.

Taking the idea of energy poverty, which is the relationship between your energy use, the cost of energy, and your income, if a household spends more than 6% to 8% of its income on energy, then they have a high energy burden and are likely in energy poverty.

I wanted to ask you about energy poverty specifically, and how solutions to energy poverty would fit into a poverty reduction strategy. I'm thinking along the lines of the old EGLIH, the EnerGuide for Low-Income Households program, which was maybe in 2005. It was shortly after the election that it was cut.



I wanted to ask you your thoughts on energy poverty as a piece of the framework.

•(1115)

**Dr. Alasdair Sinclair:** It's critical, and of course it goes up and down a little bit with the price of oil, but not as much as one would expect.

One of the things that the Affordable Energy Coalition has tried to do in Nova Scotia is to have poverty be one of the elements that could figure into the rate structure of NSPI. The Supreme Court of Nova Scotia has rejected that, and now it's hopefully going to the federal level. We have no impact on what the judges will support, but that would be one thing, to get poverty recognized as something relevant in terms of setting the price of an extremely basic commodity. I talked to a woman the other day, and she has to have candles on because she can't afford the electricity. It is an expensive thing. I have made appearances before the board here, and we just don't seem to get anywhere with it. It's not NSPI that's against it. It's the legal system that doesn't allow poverty to be treated as an entity when we're looking at rate structures.

**Ms. Megan Leslie:** What about your experience with the energy efficiency program, which could really be administered federally?

**Dr. Alasdair Sinclair:** Again, we have the beginnings of one here in Nova Scotia, but the energy efficiency is still being run by NSPI. It's difficult for an organization that sells electricity to teach people how to use less of it. That is going to change, but it hasn't changed yet.

Global warming, energy efficiency—all of these things are national programs, in my view, and need to be structured in such a way.

**Ms. Megan Leslie:** Thank you.

**Dr. Alasdair Sinclair:** But it's also provincial.

**Ms. Megan Leslie:** Thanks.

Mike, I have a question for you. I find it interesting that you're here advocating to essentially eliminate your job. If we build housing, you'll be out of a job.

Claudia Jahn was here earlier, and I think she testified, from a survey of the folks in the shelter system over one night, that 25% were there because of eviction. I think that was the number she gave us. You talked about supportive housing. As you know, I've worked in tenant representation in Halifax. I have never represented somebody from Metro Non-Profit Housing Association or someone from Women in Supported Housing, or someone from Supportive Housing for Young Mothers. I have never represented a tenant from any of our supportive housing programs. Sadly, I have represented lots of folks from Metro Turning Point, where you are.

I was hoping you could share with us how easy supportive housing can be, how minimal the support can be.

**Mr. Michael Poworoznyk:** I know that as we look forward to having a men in supported housing program, we recognize there is an opportunity to work ourselves out of a job. I don't think emergency shelters will ever be eliminated entirely, but the difficulty is in trying to reduce that capacity for people who need it in the very

short term—when they're evicted or when something like that happens.

Megan makes a very good point, that proactive investment in those outreach workers Josée Beaudin talked about would be very, very critical, for the workers to visit people. Some of those supports occur when a landlord begins to have an issue with someone who is not keeping their apartment clean and has complaints from other tenants. That is often a very easy fix for an outreach worker to make when they go to visit. And when you think about a \$40,000 or \$45,000 salary for an outreach worker—which, by the way, we're nowhere near, but we would love to pay a bit better wages for our staff—who goes out and does that visit, that investment in saving the person from being evicted and being put into a shelter at a much higher cost per day than their rent is a great saving.

So these supports and supported housing programs are good measure as economic investments as well as being good social practice. They also help people to have an attitudinal and relational apprenticeship. I say this because what often happens is that we underestimate the situation, thinking that everyone grows up on a level playing field, but they don't. They don't learn the same ways of interacting with people and relational things, due to their circumstances. When they arrive at adulthood and have to navigate the complex legal systems, landlord tenant systems....

Those programs exist in our community right now for supported housing for women, and the models are very successful. They exist in other places as well, and they have shown a cost savings over sheltering. So I think they would be a very wise investment federally.

The other piece is that when someone is in housing successfully, in their own space, they have a better sense of safety and a better sense of privacy and dignity, and they tend to reduce their negative behaviours. A lot of the negative behaviours we see in our shelter happen as a result of congregant living and the reaction of people to someone else's stuff happening right in front of them. If you have your own place, a lot of that's eliminated and you have a place to regroup. I look forward at the end of the day to going home and regrouping. Guys at our shelter don't have that option. So when they arrive back and something's going on, they don't sometimes have a social choice to let it be, because if something happened to their friend and they don't help them, suddenly when they need help, no one will be there for them. There's a lot of economy in social injustice. That's something we all need to be mindful of.

So housing first is a really good understanding. There's lots of research supporting the fact that when a person goes into their own housing, and it's maintained, they do indeed reduce their negative behaviours, whether it's addiction.... They use the mental health system less, which is our highest health care cost, and our justice system less.

So these things are great.

•(1120)

**The Chair:** Thank you both, Megan and Michael.

We're now going to move over to Mr. Komarnicki for seven minutes, sir.

**Mr. Ed Komarnicki (Souris—Moose Mountain, CPC):** Thank you, Mr. Chair.

My initial questioning will be to Michael Poworoznyk. I commend you for the work you're doing. I understand we're going to have the opportunity to visit a little later today. I'm certainly looking forward to that.

I noticed that when you were giving the bed count, there were disproportionately more beds available for males than females. The first question is, do you have an adequate number of beds, or are you short a lot of the time? And are there any seasonal fluctuations with respect to usage?

While we're at that, I noticed that we have 14,470 female-headed, lone-parent families in Halifax compared with male lone-parent families of 2,900. Given those figures, how do they tie into the service you're providing and advocating for?

**Mr. Michael Poworoznyk:** There's a caveat. Our organization provides a women's shelter of 20 beds. There are other women's shelters in the city, and the bed count goes up. There are Bryony House and Adsum House. And then again, there's a number of second-stage housing options for women that don't exist for men. I think that some of this disproportion in terms of beds is that the men don't have as many options in terms of the second-stage housing, so they're predominantly being expected to move to market rent or to subsidized units that have long waiting lists. That's part of it.

The two men's shelters total 105 beds. Is that adequate? One of those men's shelters functions on a healthy living model because they have an addiction program. They actually preclude access for people who have active addictions. If someone is drunk or high tonight, they cannot stay at that shelter. That's 30 beds out of their access.

We have a 75-bed shelter and were recording occupancies of 80 last week, but that is a blip. Typically, we don't see a lot of fluctuation from season to season in terms of the occupancy rate, but we do see a difference in people. In the winter, people tend to hunker down in the city they're in, and often closer to home, I find, based on my experience. In the summer, there tends to be a bit of transience. People will want to move, because it's easier to move around in the summer, and maybe look for work or better opportunities. We get the people coming in who are doing that and we get the existing people leaving who are doing that, so it doesn't really create a net change for us.

Would we like to see more of those options for men? Yes. We've talked a lot about that.

**Mr. Ed Komarnicki:** So your first principle is providing shelter. Do you provide any kind of rehabilitation and treatment services or anything like that?

**Mr. Michael Poworoznyk:** Yes. While people are staying at our facility, we're able to achieve 24/7 service. During the day, we have a support services program, with our staff providing referrals and beginning to actually case-manage with people.

Our progression is that when people arrive at our door we first want to build a relationship that is built on trust, because everybody needs to have a measure of safety with which to meet the challenges of life. As that safety builds, the people are with us, and they are often more truthful. When they know we're not going to take their bed away from them because they're drunk or high, they're more

honest about the fact that they're using drugs. When they're more honest about that, we can then talk about what that means and how to reduce the harm to get them to recovery, and that progression happens.

It's the same with setting other goals, like goals for housing and goals for jobs and recovery. Many of our guys will be much more honest when they know that those answers will not eliminate service for them. When they start to be truthful with us, they're starting to be much more graphically truthful with themselves, and it's the truth that sets people free. Denial is the enemy of the addict and of the person who is suffering from any real social malady. In a lot of ways, when there's a denial, it's hard to figure out that you need help.

Then we progress by making those referrals and liaising with other agencies. Increasingly, we want to see more of that, and more of that case management, but the reality of options is still a critical thing that we need.

• (1125)

**Mr. Ed Komarnicki:** First come shelter, food, and trust, and then you start working with developing and building from there.

**Mr. Michael Poworoznyk:** That's right.

**Mr. Ed Komarnicki:** I notice that you've talked about rewarding partnerships. What I've heard is that for groups like yours and others to continue operating on a continuous basis, and to know that you're sustainable and have a future, we may need to look at how we deliver the funds. The previous panel indicated that there are numerous applications; you have to keep applying on a continual basis to be sure you can survive.

What are your thoughts on that? Can you see any way of improving the way we deliver funds? There are some core agencies and services being provided, and it seems to me that they've sort of established themselves and have proven themselves, yet they have an ongoing operational issue. Do you want to comment on that?

**Mr. Michael Poworoznyk:** I would look to the health care system, which is predominantly core-funded. If we had a revolution of our social care system that really understood, instead of our social needs or our departments of social services, whether they're federal funders or provincial, becoming sort of a department of leftovers.... When it comes to budgeting, we think of health care, education, justice, and infrastructure. When we get to social needs, there seems to be a sense that it's left over.

If we were to instead think of the social departments as proactive health departments, we could reframe our understanding. In the health care system, when they core-fund programs, there are annual reviews, but I think there's a subtle understanding that health care costs go nowhere but up. I think we could see a better system if there were multi-year funding with annual reviews. I also think that, much like an audit system functions for the financial sector, an assistance base of research from the funder to actually help with evaluating the programs would also be really welcomed.

In our agencies, as you rightly say, we spend a lot of time trying to articulate our programs year after year, every year, and if it takes me an average of 40 hours to write my major proposal every year, I lose a week of staff time for me if I'm the writer. But that also includes a number of other staff who are clerical and so on. We lose 40 hours of productivity for two to three staff every year.

**Mr. Ed Komarnicki:** Another point you raised had to do with making it more palatable to donate to organizations like yours. I've thought about that, even at a point where you have a recession or a downturn in the economy. Maybe it's the very time to tell people to help these organizations. Do you have any recommendations in that regard?

Secondly, are the service clubs and organizations and church groups motivated enough to help out with things that you or others might be doing? Is that an avenue? I'm throwing this out to you and asking for your thoughts.

**Mr. Michael Poworoznyk:** One of the criticisms I've often heard is that people who are giving are going to keep giving, so the opposition to this idea of upping the tax credit believes that you're not going to do anything but take money out of the coffers of the government. The reality is that there is a motivation among people to get involved.

As for upping the tax credit, ideally it would be great to see a credit equal to the credit for political contributions. I think that's really high, but I would welcome it. Then you would see more participation. People want to be charitable, and I think we've seen some great examples, like Warren Buffett giving away \$48 billion. When we look at Canadian multi-millionaires and billionaires, I wonder if they wouldn't do a lot more if they had that credit system. Income trusts and some of the foundations are set up as tax shelters. If there was a higher tax credit, maybe some administrative efficiencies could be gained. Our agencies would definitely benefit. I think we would see an outpouring. It would allow us at the front line to make program decisions that would be more innovative and responsive to the social emergency we're experiencing.

• (1130)

**The Chair:** Mr. Savage.

**Mr. Michael Savage:** Thank you.

When I first was elected in 2004, I discovered that there was a move to efficiency in how the federal government handed out money. We had calls for proposals that either did not empower local organizations or forced them to become grant writers as opposed to service deliverers. I saw it.

I got involved in the access to community empowerment employment program, which was cut because they were going to have a national approach. It didn't make any sense. We were able to overturn that, I'm glad to say. Whenever you as an MP do anything that you take a little delight in, it just reinforces the fact that so many systems are broken. If we were to just let people at the ground level do their work, then there would be a lot of solutions.

I'd like to ask about child care. I see this as a priority. I've done round tables around the country on child care, as it is part of my area of responsibility, and one of the issues is whether to target funding to those most in need. In health care, we have a national universal

health care system. You don't ask a family whose child is in grade two whether they have the money to pay for it. Wilbur Cohen, the famous social scientist in the U.S., said that when you design programs for the poor, they usually become poor programs, meaning that they don't get the attention they need.

Do you agree that a national child care program ought to be universal?

**Ms. Betty Jean Sutherland:** I do agree. I believe it has to be universal in order to work. I did work in health care, and I can't count the number of people, the young mothers, who come out of courses that are promoted to help with the recruitment and retention crisis in health care. They go through the program, come out, start the work, and then have to quit because they have no child care. There's just no available child care. "Available" child care means 24/7 care, and child care spaces for that type of child care are next to none. We have to do something about this.

**Mr. Michael Savage:** Do you have any thoughts on that, Alasdair?

**Dr. Alasdair Sinclair:** It should include all children, regardless of their parents' income. I think it's such a difficult issue. With the change in the labour force, with more women working, this is an issue that is increasingly important. In my parents' day it wasn't a big issue, because most mothers stayed home. Nowadays it's a major issue, and it's so discordant. In the committee, we discussed what the roles of big commercial firms should be in providing day care. There was a big argument about that, and I forget the details. There are strategies that need to be looked at when you're looking at what you're going to do so that so you don't make the situation worse.

**Mr. Michael Savage:** On that point I agree. Canada's lousy at supporting child care. We have some great people in child care—Sue Wolstenhorne, and the Pat Hogans and the Margo Kirks around here who've championed this—but Canada as a nation is woeful. We were 25th out of 25 OECD nations in a UN study released before Christmas, looking at the benchmarks of early learning and child care. We don't do a good job in supporting people who are trying to do that.

We have to have a national child care system, but I don't think Canadians know how good other countries—the Nordic countries, France, Germany, and places like that—are at it. Here in Nova Scotia we have two institutions that you would think would be real leaders in early learning and child care—Dalhousie and IWK—and we have a corporate-style child care that has moved into those areas. They're signing up members.

I don't blame the people who are signing up, but because we don't have a national system, people will move in, and they'll scoop up the best clients, one might say, and everybody else will be left with nothing in the way of child care. We have to have a universal system.

In terms of targeting support, financial support should be targeted to those who need it, in my view, through the tax system but, more importantly, through refundable tax credits.

In terms of systems, if you're going to have a robust system, it has to be universally accessible. That takes away stigma as well, to some extent, which some people are concerned about.

•(1135)

**Dr. Alasdair Sinclair:** Quebec has made an effort on the financial side, which we thought was useful.

**Mr. Michael Savage:** I think the Quebec system is a good system.

Thank you, Chair.

**The Chair:** Thank you.

We're now going to move to Mr. Lobb, for five minutes, sir.

**Mr. Ben Lobb (Huron—Bruce, CPC):** Thank you very much.

A lot of the questions so far have definitely been focused on and addressed the most vulnerable, and rightfully so.

Ms. Sutherland, you did mention a number of different items around literacy. The one thing that has continued to perplex me in my young life so far is the fact that there's very little financial literacy offered in our school system. If we were very objective, we would see that most of the stress in our life is around financial issues. I wonder if the panel could provide some thoughts on some possible avenues whereby financial literacy could be provided. I understand some provinces are looking at this but have not really implemented it fully.

I'd like to make another point. I'm also a landlord, and I have a tenant who, I must say, does make a fair wage. It's definitely above the average income, but every month he is coming up short. The number one issue is that he has very poor financial literacy. I was fortunate that my parents could provide some insight in that area, but if your parents can't...

Could you please provide some thoughts on this for our panel?

**Ms. Betty Jean Sutherland:** We support a Canadian training levy along the lines of Quebec's 1% law, to be put in place by the federal government. The training levy in Quebec has led to more workers benefiting from training programs.

I find there's something lacking when in Nova Scotia and in Newfoundland and Labrador high school kids look at what they're going to do with the rest of their life. There was a general consensus a number of years ago that everybody had to go to university and get a university education. It's very costly, and that's not always the best way to go. We are critically short of workers for jobs for which training is provided through community college education. It's essential that we start looking at that, and at our children and what they can do, and how they can benefit the most.

**Mr. Michael Poworoznyk:** Specifically regarding financial literacy, I really agree that having money is more about managing money than it is about making money, assuming the minimum wage is high enough to be liveable and assuming that a person has enough money to support themselves. Our homelessness report card says that a \$14-per-hour minimum wage would be adequate to sustain people with a healthy basket of services in living, including rent and so on.

At our shelter at Metro Turning Point, we have a trusteeship program that deals with the specific issue of financial literacy and specifically helps people who have had trouble with that in the past. But it's underfunded.

As part of a strategy, it would be really good to look at funding financial literacy and funding the full continuum, from actual trusteeship and managing someone's money with them to programming that builds their understanding, through to independence. Depending on their abilities, we don't see a lot of people who have extensive mental health issues or addiction problems transitioning off our trusteeship program for bigger pieces like rent. But we do see sometimes that we can up their personal money to help them pay for incidentals. They might begin by paying their own bill for the phone, because the consequence of losing their phone has less impact than would losing their apartment.

So those financial literacy pieces are very critical.

**Mr. Ben Lobb:** Just so we're clear here, I wasn't trying to insinuate that our most vulnerable are the reason why. It was more about the working poor we sometimes refer to, and they're really the focus of that. Obviously those folks would want to entertain that as it became relevant to them.

•(1140)

**Mr. Michael Poworoznyk:** Yes, and I agree. As we look at our employment programming, one of the things we are looking at is how that trusteeship runs across the board, because again, it is about managing money, period, and for people who have a lot of difficulty with that, their current financial situation doesn't matter. And I also like the idea of starting young.

**Mr. Ben Lobb:** There's just one thing I'd like to add, and again, this comes into it as well: some sort of mechanism for micro-savings. Oftentimes, as young people we're really great at the phone bill, the car payment, but it's that one incidental that really sets you back. I'm wondering, do you have any thoughts on micro-savings programs to help cushion the blow there?

**Mr. Michael Poworoznyk:** Micro-savings programs, where they've been really pioneered in other parts of the world, have found the majority of success with people who have a really high stake in earning money for themselves but also for their families, so they're family earners, and a lot of them have been moms. I think that could be true here.

Helping people understand the goal of micro-savings is really important, but fundamentally getting them past the fact that they're going to be penalized for having any sort of savings is going to be paramount and a monumental task for people who have ever been on social assistance. Our social assistance system teaches people to be incredible existentialists. It is about now. The future for people on social assistance is at maximum one month, because if they save money they're penalized. If we can eliminate some of those penalties, that would be great. I know those are provincial jurisdictions predominantly, but having an understanding of the micro-savings piece, you'd have to get past that.

For the working poor, that micro-credit idea of creating credit and loans, I would say, is very important. If you want to do that immediately, introduce much heavier regulation of the payday loan industry. They are micro-credit masters; they're unfortunately also masters at collecting fees and service charges that amount to interest, really. I don't know too many of my friends who are making over \$50,000 a year, or over \$25,000 or \$30,000 a year even, who are going to payday loan places. I do know many of the men in our shelter are on our trusteeship program, so they don't have to go to those places, and that's very critical.

**The Chair:** Thanks again, Michael.

We're going to finish up with Madam Beaudin, who's going to take a few minutes to finish this round.

[*Translation*]

**Mrs. Josée Beaudin:** Can you tell me, Michel, if some of your clients have children and if so, what type of support you provide to them?

[*English*]

**Mr. Michael Poworoznyk:** Some men who have stayed at our shelter have children. The unfortunate part is that their children cannot stay with them at our shelter, so they're often separated. If the mother's in the picture, children stay with the mom and they go to the women's shelter, or they have long since departed from their family, amidst other crises. We do have a number of men with children. The support that we would provide for them is mainly an emotional support, and children are a very powerful motivator for the men in our shelter. They do not want to be deadbeat dads. Often, if I talk to them long enough, I find out a bit about their dads, and they don't want to be dads like their dads.

We would love to be able to work in a more integrated fashion to provide better family supports. I'm very encouraged that in other jurisdictions there's a lot of talk and even some initial stuff about family shelters. We would need that here too.

[*Translation*]

**Mrs. Josée Beaudin:** Earlier, you spoke of the importance of sharing financial resources, experience and energy. Do you have access to funding that enables you to mobilize these resources and to organize round tables with various stakeholders in the field?

• (1145)

[*English*]

**Mr. Michael Poworoznyk:** Most of the round table discussions that happen are all free to any funder. A considerable amount of my time is spent at round tables, and none of that is compensated directly, so that's an indirect cost our organizations are expected to absorb. But it is incredibly beneficial to do that, to make sure there's no duplication, to make sure we are building better partnership on that full continuum, whether it is just referral or collaboration, and nationally I think the teleconferences that have been provided by HPS have been very good. Those are symposiums that are conferenced in for us to gain information. The most recent one, I think, was fundraising for the non-profit, and I had a friend in Winnipeg who spoke at that, but that was shared.

I think there is something to be said for funding national round tables, so I am part of the Canadian Coalition of Large Multi-Service Shelters, which was started out of Old Brewery and Welcome Hall. *Maison du Père*, I think, is also involved in Quebec. But funding a get-together of our group is a relatively minimal expense that would produce a very high return. The last time we were able to gather previous to a conference—and that was supported by an employment initiative of the federal government—to gather information around that. But I think doing some of that direct funding face to face.... That coalition is the largest emergency men's shelter in the country, and when we get together to share best practices and start to talk about standards, governance.... Those things would really pay big dividends, but again, it would take some time. Partnership is an investment that takes time, but it does pay big dividends.

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

I do want to thank the witnesses. I want to say once again that it never ceases to amaze me that we always pick up new ideas, and certainly for some of us who aren't as familiar with the issue, there are always some great suggestions.

I'm going to adjourn now, but I'd like the members to stay to go over some housekeeping things, and then, of course, we can say goodbye to the witnesses and talk to them as well.

With that, the meeting is adjourned.





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