

Minister of  
Families, Children and  
Social Development



Ministre de  
la Famille, des Enfants et  
du Développement social

Ottawa, Canada K1A 0J9

**SEP 27 2017**

Bryan May, M.P.

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

House of Commons

Ottawa, ON

K1A 0A6

Dear Mr. May:

Pursuant to Standing Order 109 of the House of Commons, I am pleased to respond on behalf of the Government of Canada to the recommendations made by the Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities (HUMA) in its report entitled *Breaking the Cycle: A Study on Poverty Reduction*, tabled in the House of Commons on May 31, 2017.

The Government thanks the members of the Standing Committee for their valuable study examining strategies to reduce poverty and for providing meaningful recommendations to the Government. This in-depth study will be instrumental in our Government's efforts to develop a Canadian Poverty Reduction Strategy. The Government also thanks the many witnesses and those who provided written submissions, including government officials at the provincial/territorial, municipal, and Indigenous levels, advocacy groups, labour organizations, industry associations, business representatives, health professionals, and, most importantly, individuals with a lived experience of poverty.

The Committee's study comes at an important time for our Government, as we work on developing a Canadian Poverty Reduction Strategy that would set targets to reduce poverty and measure and publicly report on our progress. The Strategy will also align with and support existing provincial and municipal poverty reduction strategies as well as new national strategies such as the National Housing Strategy. To that end, we are very pleased to be supported by the many witnesses who provided the Committee with their views on poverty and proposed solutions. This feedback will help us develop the Canadian Poverty Reduction Strategy, which will be released in the coming months.

On October 4, 2016, I had the honour of tabling the "Towards a Poverty Reduction Strategy" Discussion Paper at the Standing Committee's first meeting of this study. This paper has since been used as the primary tool to engage with Canadians. Since then, our Government has

**Canada**

spent the past several months hearing from thousands of Canadians from coast to coast to coast about what they would want to see in a Poverty Reduction Strategy.

A Poverty Reduction Strategy engagement website has let thousands of Canadians share their views on poverty reduction. Additionally, over 600 Canadians participated in formal community-led poverty reduction engagement sessions. We had the honour of hosting, or soon to host, more than 15 roundtables with stakeholders, and four public town hall events, one of which was held online. The Government also launched and completed the Tackling Poverty Together Project, which was an in-depth study of poverty in six communities across Canada, reaching over 5,500 Canadians. The Government has also specifically targeted youth, who have shared their views on how to reduce poverty. Finally, from June to November 2017, National Indigenous Organizations will engage their members and seek their views on poverty reduction, homelessness and food security.

I am very pleased to have the HUMA Committee's report available in order to help our Government develop a Canadian Poverty Reduction Strategy that works for all Canadians. My colleagues and I had the opportunity to speak with and hear from many of the same groups that HUMA engaged, and we received detailed input from all of them. To that end, many of the Committee's recommendations reinforce and complement what we have heard through our consultations. In particular, these findings have highlighted that experiences with poverty will differ, based on a diversity of factors. Moreover, they also align with work the Government has already undertaken in order to improve the social and economic well-being of all Canadians, with a particular focus on reducing poverty for those who are most vulnerable in society.

### ***Income Security***

Witnesses to the Committee noted that the main reason that people live in poverty is inadequate income. All witnesses noted that more needs to be done to support Canadians so that they can meet their basic needs, handle setbacks during, for example, temporary spells of unemployment, and have the incentives to work in order to get ahead. The recommendations put forward by the Committee relate to strengthening income support programs to help Canadians meet their basic needs and prevent them from falling into poverty.

Our Government has already taken early action in line with these recommendations. With the Canada Child Benefit, nine out of ten families are receiving more in child benefits than under the previous system of child benefits to help them with the high costs of raising their children, and beginning in 2020, the Canada Child Benefit will be indexed to inflation. At the other end of the age continuum, the Government has taken steps to ensure more seniors have the income security they need in their retirement by restoring the age of eligibility from 67 to 65 for the Old Age Security pension and the Guaranteed Income Supplement, and increasing the Guaranteed Income Supplement top-up for low-income single seniors.

## ***Education, Skills Training and Employment***

The Committee heard of numerous challenges that Canadians face in accessing affordable education and gaining employment at all stages of life. The Committee's recommendations are geared toward addressing these challenges, while also paying particular attention to providing greater training and employment opportunities for individuals from vulnerable groups. Throughout its consultations, the Government has heard these same calls from Canadians to make it easier for them to get ahead through hard work, access to education, and support through all of life's transitions.

Our Government has taken steps to help Canadians get the best start in life and to support them, for example, in post-secondary education and employment. The Government is helping children and families by investing in more high quality, affordable child care spaces across the country. We have increased access to and affordability of post-secondary education for students from low- and middle-income families, helped make it easier for students to pay back loans as they transition from school to work, and are working toward making it easier for adult learners to qualify for student financial assistance.

We have also taken steps to make it easier for Canadians as they transition between education and employment. We are doing this by making Labour Market Transfer Agreements simpler, more flexible, and more responsive to the needs of employers and Canadians, and helping youth so they are best positioned for success today and tomorrow. Additionally, our Government is helping increase employment and skill levels of Indigenous peoples to help reduce the education and skills gap between the Indigenous and non-Indigenous population.

## ***Mental Health***

The Committee found that Canadians with mental illness are more likely to live in poverty. The Committee heard that, like other Canadians with disabilities, most people with mental illness can and want to work but may need further support to do so. The Committee's recommendations geared toward making it easier for those with mental illness to find and maintain employment aligns with what we have heard to date through our consultations. Mental disorders can be caused or exacerbated by being in low income, making it that much more difficult to break out of the cycle of poverty and improve one's life.

Our Government has taken significant steps to better support Canadians with mental illnesses. This includes support to provinces and territories to provide better access to mental health support so that a reduced percent of Canadians express an unmet need for mental health services and support to the Mental Health Commission of Canada for the development of the National Standard on Psychological Health and Safety in the Workplace. The Government has been actively promoting this Standard with stakeholders, including employers, who are encouraged to use the Standard to promote mental health and wellness within their organizations.

## ***Housing***

The thematic area of housing received a lot of attention from witnesses, and correspondingly, the Committee made numerous recommendations on this subject. These recommendations focused on providing Canadians with affordable housing options to ensure that all Canadians have a roof over their heads so they can focus on bettering themselves and supporting their families.

The issue of housing is a key priority for our Government. That is why we have invested in solutions to homelessness and addressing housing needs. In the coming months, our Government will be announcing the National Housing Strategy which will reduce the incidence of core housing need and improve housing outcomes for low-income Canadians as well as those with distinct needs including seniors, Indigenous Peoples, veterans, individuals with physical, developmental, and mental health disabilities, and survivors fleeing family violence including women and their families. Through separate consultations, we have heard what Canadians would want to see in a National Housing Strategy, and we have heard more additions to this conversation through our Poverty Reduction Strategy consultations.

## ***Communities***

The Committee studied issues unique to communities in Canada, including specific challenges faced by Indigenous populations. Significant issues faced by communities include inadequate physical infrastructure – from affordable transit to community centres – as well as inadequate social infrastructure, which is crucial for connecting residents to the services they require. The Committee's findings were also echoed by those who participated in the Poverty Reduction Strategy consultations.

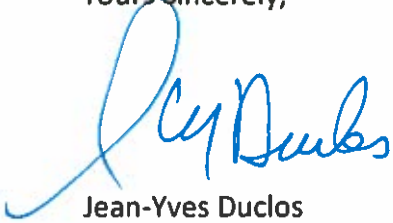
Our Government has taken some important steps to address some of these issues, including investing in the social and economic progress of Indigenous communities. This includes developing better water treatment systems, health facilities, and other community infrastructure in partnership with First Nations and Inuit. Going forward, our Government will continue to work with other levels of government to help empower communities to help them meet their distinct needs and deliver high quality services to its residents.

## ***Developing A National Poverty Reduction Strategy***

The Committee also made recommendations for our Government in the development of the Canadian Poverty Reduction Strategy. These recommendations emphasized paying particular attention to those who are most vulnerable to poverty; developing an official definition and measurement of poverty; developing a business case for poverty reduction based on the impact that poverty has on all Canadians, and increase research, information-sharing, and testing of new approaches to reduce poverty.

The Government of Canada is committed to strengthening the middle class and helping low-income Canadians exit poverty so they can be well and do well. The Government has heard from Canadians, and we will be using all of the informative findings, as well as the Standing Committee's recommendations, to help guide our work in developing the Canadian Poverty Reduction Strategy. It is through this collective effort that we will realize our vision of a diverse, prosperous and truly inclusive country—a country where all Canadians can realize their full potential.

Yours Sincerely,

A handwritten signature in blue ink, appearing to read "Jean-Yves Duclos". The signature is fluid and cursive, with a large initial "J" and "Y".

Jean-Yves Duclos  
Minister of Families, Children and Social Development

