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Mr. Robert J. Morrissey, M.P.

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

House of Commons

Ottawa, Ontario

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Dear Colleague,

Pursuant to Standing Order 109 of the House of Commons, I am pleased to respond on behalf of the Government of Canada to the report made by the Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities (the Committee), entitled "Disability Support Benefits", tabled in the House of Commons on May 31, 2022. The Government would like to thank the members of the Committee for the report and the motion that calls upon the Government to consider the possibility of codifying all people who receive provincial/territorial support for their disability as persons with disabilities in order to facilitate the ease of payment of a future Canada Disability Benefit (CDB). The Committee's report brings attention to the importance of thoughtful consideration of the best approach for determining eligibility for the CDB and the need for continued engagement on the design and implementation of the CDB. The Government welcomes and is committed to considering input from the Committee for improving outcomes for persons with disabilities, including various approaches to determining eligibility for the CDB.

Addressing the needs of persons with disabilities continues to be an important focus of this Government. As you are likely aware, provinces, territories and the Government of Canada each play a significant role in providing disability support benefits to persons with disabilities.

Provinces and territories provide:

- Income supports (social assistance)
- Disability supports (aids and devices)
- Education
- Housing
- Health care
- Legislation for accessibility and rights related to employment
- Training and employment supports

The Government of Canada provides:

- Leadership in areas such as creating accessibility standards (via Accessibility Standards Canada)

- Funding for labour market programs and post-secondary education (e.g., Canada Student Financial Assistance Program)
- Income support through disability pensions for those with work histories (e.g., Canada Pension Plan – Disability, EI Sickness Benefits) and for specific populations (e.g., First Nations on-reserve and veterans with disabilities)
- Savings incentives through the Registered Disability Savings Plan
- Tax relief in respect of medical and disability-related costs (e.g., Disability Tax Credit, Medical Expense Tax Credit)
- Investments in communities and organizations (e.g., Enabling Accessibility Fund, Social Development Partnerships Program–Disability)

While the focus and role differs between orders of government, there is a shared responsibility to address the needs of persons with disabilities and to collaborate when possible to increase access to supports.

Disability and Poverty: Why a Federal Disability Benefit is Needed

Despite an array of programs and supports from different orders of government, persons with disabilities continue to be at risk of living in poverty, particularly among working-age persons with disabilities. The approximately 4.1 million working-age persons with disabilities in Canada are twice as likely to live in poverty as their peers without disabilities (22.5% vs 11.6%). This is especially true for individuals with more severe disabilities. Persons with more severe disabilities are also less likely to be working and more likely to have income from social assistance (all statistics based on the 2017 Canadian Survey on Disability with 2018 Market Basket Measure poverty thresholds).

The Government of Canada has committed to act to reduce poverty amongst working-age persons with disabilities. The Canada Disability Benefit Act (Bill C-22) was re-introduced in the House of Commons on June 2, 2022 as framework legislation. The proposed benefit's objectives are to reduce poverty and to support the financial security of working-age persons with disabilities in Canada. It would reduce poverty by supplementing existing federal, and provincial/territorial income measures for working-age persons with disabilities. It is not intended to replace existing benefits and income tested supports for persons with disabilities.

Nothing Without Us

The Government of Canada is continuing engagement on the benefit with provinces and territories, First Nations, Inuit and Métis governments, communities and organizations, and the disability community so that the proposed benefit is informed by the lived experiences of persons with disabilities. In doing so, the Government of Canada will honour the United Nations *Convention on the Rights of Persons with Disabilities*, the *Accessible Canada Act* principle that

“persons with disabilities must be involved in the development and design of laws, policies, programs, services and structures” and the principle of *Nothing Without Us*.

Following the June 2021 introduction of Canada Disability Benefit Act (Bill C-35), the Government of Canada has been engaging continuously and broadly to ensure the most effective approach is taken to designing the CDB. The Government has held a number of roundtable discussions with disability organizations, academics and researchers, organizations who work with members of racialized communities and disability service providers. The Government has also been engaging the COVID-19 Disability Advisory Group and conducted an online survey in summer 2021 on the Disability Inclusion Action Plan (DIAP).

The proposed benefit would be the cornerstone of the DIAP, first proposed in the 2020 Speech from the Throne. The DIAP is founded on the principle that disability inclusion and equality benefits everyone – that when Canadians with disabilities have equal opportunities to contribute to their communities, enjoy the same quality of service from their government, have equal opportunities to work, and enjoy the same quality of life as everyone else, we build a stronger economy and a stronger country.

Indigenous organizations and stakeholders are also of key importance. The Government will undertake a distinctions-based, Indigenous-led engagement with National Indigenous Organizations (NIOs) to inform the design of the benefit and will engage as appropriate with Modern Treaty and Indigenous self-governments, beyond the work with NIOs.

Engagement with Provinces and Territories

It is important that the Government of Canada collaborate with other orders of government to ensure that a future benefit is implemented to help those in need, and that it addresses longstanding inequities and current realities across Canada. Intergovernmental engagement and collaboration is important when making changes to the architecture of social supports. Federal-Provincial/Territorial Ministers Responsible for Social Services have met to discuss the importance of improving collaboration to support persons with disabilities and will continue to be engaged to inform the proposed CDB’s development. This collaboration will help ensure the benefit becomes an augmentation rather than a replacement of existing benefits and that eligibility for social assistance-linked or income-tested disability supports and services will not be affected.

Approach to Developing the Canada Disability Benefit (Bill C-22)

The development of the first ever Canada Disability Benefit is a complex undertaking that requires careful consideration of a number of factors across federal and provincial/territorial jurisdictions.

Bill C-22 is framework legislation that, if passed by Parliament, would establish the framework for a benefit with details, such as amount and eligibility criteria, to follow in regulations.

If legislation is passed, Parliament will have an opportunity to review the benefit three years after the coming-into-force of the Act and every five years thereafter.

Considerations for eligibility of the Canada Disability Benefit

In determining eligibility for the Canada Disability Benefit, the Government of Canada would need to consider:

- fairness and equitable access across and within jurisdictions;
- portability of benefits for individuals who may move from one Province or Territory to another; and,
- ease of access.

Recent experience of developing and implementing economic support measures to combat the impacts of the global pandemic also reinforced the need to ensure that the process for determining eligibility is comprehensive and open and considers the needs of persons with disabilities for a fair, stable and effective benefit program. A careful consideration of eligibility across jurisdictions is an important part of this process, and the Government is currently engaged in doing so.

Preliminary analysis indicates that the feasibility of using provincial and territorial eligibility criteria would involve consideration of a number of existing benefits, supports, programs, services and aids to persons with disabilities across jurisdictions. Eligibility for these programs and supports vary in terms of the requirements for duration and severity of the disability and the ability to work and to align with the differing objectives of each programs (e.g., most benefits are measures of last resort to replace employment). Eligibility criteria continue to evolve and change according to circumstances in each jurisdiction.

When determining the best approach to implementing the CDB, the Government must work with other orders of government to consider how the benefit can be delivered to the intended target population in the most timely and accessible manner. The Government will continue to consider all options for eligibility to establish a fair, accessible and efficient national disability benefit, noting that using provincial and territorial eligibility would raise considerations around equity, cost, and administration that would need to be further assessed. We will continue to engage and explore possible options as Bill C-22 moves through the Parliamentary process so that we can make a well informed decision for the benefit of Canadians.

We have an opportunity to address the long-standing inequities faced by persons with disabilities, help reduce poverty and move forward the realization of a fully inclusive society. I hope I can count on your support in ensuring that Bill C-22 passes so that we can implement this historic benefit for working-age persons with disabilities as soon as possible.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Carla Qualtrough', written over a horizontal line.

The Honourable Carla Qualtrough, P.C., M.P.
Minister of Employment, Workforce
Development and Disability Inclusion