



Joint submission by the Quebec Intellectual Disability Society, the Fédération québécoise de l'autisme, the Confédération des organismes de personnes handicapées du Québec, the Alliance québécoise des regroupements régionaux pour l'intégration des personnes handicapées and the Réseau communautaire en santé mentale

Bill-C22, An Act to reduce poverty and to support the financial security of persons With disabilities by establishing the Canada disability benefit and making a consequential amendment to the Income Tax Act

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Quebec Intellectual Disability Society

About

The **Quebec Intellectual Disability Society** brings together, informs and empowers all those who wish to make Quebec a more inclusive society where everyone can find their place and thrive. More than 90 organizations and associations, over 150 employers and thousands of families across the province are already part of the movement.

The **Fédération québécoise de l'autisme** mobilizes all stakeholders to promote the well-being of individuals with autism, raises awareness and informs the public about autism spectrum disorders (ASD) and the situation of families, as well as contributes to the development and dissemination of knowledge.

The **Confédération des organismes de personnes handicapées du Québec (COPHAN)**, a non-profit organization incorporated in 1985, has for mission to make Quebec inclusive in order to ensure the full social participation of persons with disabilities and their families. It brings together more than 40 national and regional organizations and groups of individuals with all types of disabilities.

The mission of the **Alliance québécoise des regroupements régionaux pour l'intégration des personnes handicapées (AQRIPH)** is to improve the living conditions of persons with disabilities, their families and their loved ones. It is a national collective advocacy body comprised of 17 regional groups that bring together more than 400 organizations of persons with disabilities, their families and loved ones throughout Quebec.

The mission of the **Réseau communautaire en santé mentale (COSME)** is to unify all community mental health organizations in the province of Quebec. COSME represents 12 regional groups. Their members include more than two-thirds of Quebec's 450 community mental health organizations.

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Passing Bill C-22 Promptly: A Priority for Persons With Disabilities or With Mental Health Conditions in Quebec

Summary

The signatories of this brief, the Quebec Intellectual Disability Society, the Fédération québécoise de l'autisme, the Confédération des organismes de personnes handicapées du Québec, and the Alliance québécoise des regroupements régionaux pour l'intégration des personnes handicapées and the Réseau Communautaire en santé mentale represent hundreds of thousands of persons with disabilities or mental health conditions in Quebec. We are uniting our voices today to make it clear that our organizations - and Quebec - are in favour of the rapid and unamended adoption of Bill C-22. We believe that the adoption of this bill could play a decisive role in strengthening the financial security of persons with disabilities or mental health conditions in Quebec and the rest of Canada. In this sense, we ask that parliamentarians move forward with Bill C-22 so that work on the regulatory aspects can begin as soon as possible.

Our organizations have experience with this type of exercise, as we have worked on implementing the Basic Income Program in Quebec in the last four years. Based on that experience, we know that organizations of persons with disabilities or mental health conditions, governments and legislators can work together to foster these individuals' social inclusion and economic participation. We hope to see such a dynamic at the federal level and will be available to participate and represent the interests of persons with disabilities in Quebec and Canada.

Furthermore, even if Bill C-22 were to be adopted quickly, in our view, the most crucial point would be the negotiations with the provinces and territories to ensure that they do not penalize individuals who will receive the Canadian Disability Benefit. Governments must work together to coordinate benefits while ensuring that the federal government's intervention does not lead to the disengagement of the provinces and territories regarding income security, social services and social protection in general. We are confident that the negotiations with Quebec will be successful and offer our cooperation to the federal and Quebec governments to assist in these discussions.

I. General Comments on Bill C-22

A) For a rapid adoption of Bill C-22

First, let it be clear: we are very much in favour of the rapid adoption of Bill C-22. This bill could play a decisive role in lifting persons with disabilities out of poverty across the country. In that sense, it is an opportunity that has not been presented in decades.

Of course, it may be uncomfortable for legislators to vote on a legislation framework that contains few details. However, we think it is the right thing to do. On the one hand, ongoing consultations with the disability community will provide essential information and expertise. On the other hand, with our experience of the successful development of regulations with framework legislation in the context of the Basic Income Program in Quebec, we believe such an approach can be successful.

Additionally, legislators might be tempted to make amendments to clarify technical elements of the Benefit. Although we understand the motivations for doing so, we do not think this is the best course of action. Indeed, some of these elements are incredibly technical, and discussions on these in committee would likely slow down or threaten the adoption of the law. The federal political context could also lead to a deadlock if an election were to be called. As many have repeated, persons with disabilities and mental health conditions cannot afford to live any longer without the Benefit. Instead, we believe consultations should be launched and the process allowed to move forward.

During the regulatory process, policy experts will have the opportunity to discuss the technical intricacies, and elected officials will have the responsibility to decide on the proposals put forward, as well as to prioritize certain avenues (notably in relation to the costs of the proposed measures). This process will also have to consider the positions of the provinces and territories before ultimately being finalized in the context of budget development and pre-budget consultations. Parliamentarians will therefore have renewed opportunities to express their views on the Benefit.

In essence, the only amendment we could want to see in the bill is the date of implementation of the Benefit: the sooner, the better. This date should be brought forward while taking into account the level of technicality required, the dynamics of negotiations with the provinces and territories, and the need for these latter to amend their legislation to allow for the full complementarity of the various programs.

Recommendation #1: Do not amend bill C-22 and proceed with its expeditious adoption.

In addition, we have appended a set of proposals to assist the legislator in considering certain technical intricacies that will need to be addressed in developing the Benefit regulations. These proposals are provided **for information purposes only**, and we do not wish them to become the subject of amendments to Bill C-22.

B) Negotiating With the Provinces and Territories: A Priority

Provinces and territories are largely responsible for social protection, including financial assistance programs for persons with disabilities and mental health conditions. In this sense, the linkage must be made with these programs not to penalize recipients and lead to a disengagement of local governments in the social protection and financial security of these individuals.

In the case of Quebec, for example, the province will officially launch its Basic Income Program on January 1, 2023, a first in Canada and probably worldwide. This program is expected to lift 84,000 individuals out of poverty. These persons, with severe limitations to employment, constitute a portion of those who eventually would receive the Canada Disability Benefit. Therefore, governments must coordinate their efforts to ensure that these individuals will not be penalized. While the Basic Income Program is imperfect, and our organizations continue to advocate with the provincial government, we must protect it and ensure that the Canada Disability Benefit interacts positively and coherently with it.

To date, the Quebec government has indicated an interest in seeing a federal benefit complement its programs as long as it is truly helping those in need. We are pleased with this collaborative approach and will support all efforts in this direction. We are confident that such negotiations will be successful.

Recommendation #2: work with the provinces and territories to coordinate benefits.

C) Quebec's experience with the development of regulations related to the Basic Income Program

Concerning the development of the regulatory elements of the future Canada Disability Benefit, we understand the legislator might be concerned with ensuring that such a process, involving many organizations, persons with disabilities and mental health conditions, public policy experts and researchers, is realistic. We believe working this way is possible and will likely result in a regulatory framework that will satisfy most parties without taking years to complete.

Indeed, like the Benefit under consideration, the Quebec Basic Income Program was introduced in 2018 via a framework legislation designed to lift persons with disabilities or mental health conditions out of poverty. All the regulations were left out of the bill, as the Minister at the time only outlined regulatory intentions when the bill was introduced.

Since then, provincial disability and mental health advocacy organizations have worked with the Quebec government to develop a comprehensive set of regulations that satisfies all parties involved. This extensive work allowed time to reflect on what was needed and develop a truly innovative program in Canada. This work was conducted over four years, during which the working committee was active for approximately two and a half years (approximately 35 meetings). It is important to note that this was a predetermined timeframe, which was respected. This collaboration continues, following the adoption of the regulation associated with the Act, and has allowed the organizations and the provincial government to work together, even on other issues.

In the case of the Canada Disability Benefit, we believe that this process could be more expeditious, as consultations are already underway and dialogue with the provinces and territories is well established. The lessons learned from the Quebec experience could also help speed up this process. In this sense, our organizations offer their cooperation and wish to express their interest in proceeding with future consultations related to the regulatory framework.

II. Next Steps for Bill C-22

Several steps should be implemented following the adoption of Bill C-22. Below are some of the milestones we would like to bring to the attention of Parliament.

- A) Set up workgroups to discuss the regulatory aspects of the Benefit, comprised of persons with disabilities and mental health conditions, their organizations and public policy experts.

One of the priorities for the federal government following the adoption of Bill C-22 should be the creation of workgroups to inform the regulatory process.

These workgroups must involve persons with disabilities and mental health conditions, their organizations, researchers, and policy experts.

Additionally, to cement confidence in the regulatory process, it is crucial for the federal government to be clear about the scope of these workgroups' mandates and to be transparent. The composition, proceedings and documents of the workgroups should, as far as possible, be public so that the population and the community can see that the process is rigorous.

Recommendation #3 :

- Rapidly create workgroups on the regulatory aspects of the Benefit, made up of persons with disabilities and mental health conditions, their organizations and policy experts.
- Clarify the mandate and scope of the work of these workgroups and their composition.

- B) Roll out the first phase of the Act's implementation by providing access to the Benefit to individuals already on provincial or territorial programs.

The first phase of implementing the Benefit could be achieved by providing access to individuals participating in provincial and territorial financial assistance programs for persons with disabilities or mental health conditions. This could be an efficient way to ensure that the Benefit is available to a large pool of individuals needing immediate assistance.

However, it must be noted that many have difficulties accessing provincial and territorial programs. This could, for instance, exclude individuals in extremely precarious situations, such as those experiencing homelessness, which would defeat the purpose of the Benefit.

Furthermore, experience shows that persons with mental health conditions often experience difficulties in gaining recognition of their disability. It is, therefore, important not to limit the Benefit to individuals who are already receiving provincial or territorial benefits beyond the initial implementation phase.

Recommendation #4: in an initial implementation phase, provide access to the Benefit to recipients of provincial or territorial financial assistance programs for persons with disabilities or mental health conditions.

C) Elements to be considered for negotiations with the provinces and territories

The Benefit should not be used as an alibi for scaling down provincial or territorial services

As mentioned earlier, a significant concern about the Benefit is the risk that provinces and territories may decide to scale down their assistance programs following the federal government's intervention in social protection matters for persons with disabilities or mental health conditions. In our opinion, the federal government must work with the provinces and territories to avoid this scenario, which would otherwise be disastrous for hundreds of thousands across the country.

Our organizations are also concerned about the Benefit impact on social services and other services. The Canada Disability Benefit should never be an excuse to scale down or privatize these services. While money is essential to living a dignified life, universal public services are also required.

Federal Transfers to Provinces and Territories Are Not an Adequate Solution

Federal transfers to the provinces and territories have been on the rise for several years. Various federal programs have been created, including by transferring money to the provinces and territories to deliver. In the context of the Benefit, this may be a tempting option for policy-makers.

However, we do not believe this is the best way to proceed in this instance. Indeed, the relevance of federal transfers concerning the Benefit depends on several factors. The first factor is “who will have access to the Canadian Disability Benefit and what the amount will be.” The second factor is tied to the type of programs available in provinces and territories. These are often programs of last resort that are very difficult to access. Hence, many would be left out if the Benefit were to be delivered by provinces or territories through federal transfers.

In our opinion, what is needed is a benefit that does not reinforce poverty and that truly moves away from the "welfarization" of disability¹.

Recommendation #5 :

- Ensure the Benefit is not an excuse for provincial and territorial governments to scale down their financial assistance programs.
- Ensure the Benefit is complementary to provincial and territorial programs.
- Ensure the Benefit lifts out-of-poverty individuals who have difficulty accessing provincial and territorial financial security programs.

D) Update provincial and territorial legislation

Finally, implementing the Benefit will require legislative and regulatory changes in the provinces and territories to ensure that the agreements are honoured, and those receiving provincial or territorial benefits are not penalized.

Recommendation #6: Update provincial and territorial legislation to ensure coordination of benefits and that recipients will not be penalized.

¹ "Welfarization: from the word "welfare" and the suffix "-ization", meaning an act, a process or the result of an action.

Welfarization is the process of linking financial assistance programs for persons with disabilities (especially those who have severe employment constraints) with social assistance programs created for individuals who have no other source of income or who have temporary employment constraints.

The use of programs that were not designed to meet the needs of persons with disabilities creates more problems than it solves and makes them more vulnerable.

III. Conclusion

Bill C-22 is a step in the right direction toward financial security for persons with disabilities and mental health conditions. It is, therefore, necessary to proceed with its adoption as soon as possible.

Based on our experience, establishing the regulatory aspects of the Act through a process of consultation and collaboration with the community is the right way to proceed. The involvement of individuals, experts and governments is crucial. We have seen encouraging signs from the government in this regard so far. Our organizations will be available to participate in this process. We will be pleased to make our extensive expertise on these issues in Quebec available to legislators and the federal government.

In addition, in order to ensure that the objectives of the Benefit are met, it will be critical to negotiate and work with the provinces and territories. These discussions will be vital to ensuring that individuals benefit from the different programs in a complementary way.

Finally, a range of provisions and issues will need to be discussed to ensure that the Benefit meets its objectives. We have attached some suggestions and remain at the disposal of the federal government and legislators to participate in this work.

Appendices

A. Suggestions for establishing the regulatory elements of the Canada Disability Benefit

Drawing on our collective experience in developing the operational details of the Basic Income Program in Quebec, our organizations wish to present some recommendations for the future regulatory process. These elements are provided for **information purposes only and should not be used to introduce amendments to the Act.**

Overall, we believe that the Canada Disability Benefit should be fully individualized, that the dollar amount of the Benefit should not consider spousal earnings to limit issues of financial dependency, and that it should provide a real pathway out of poverty, including allowing people to work without clawbacks. These are questions of dignity.

As current regimes are primarily punitive and do not aim at the well-being of individuals, it is imperative to break away from the welfare approach and the "welfarization" of disability.

All these fundamental but technical elements should be addressed during the regulatory process.

i. Definition of disability used to qualify for the Benefit

The Accessible Canada Act provides a good definition of disability. It will be necessary to use this definition and to consider how to deal with temporary disabilities, for which some programs already exist (e.g., Employment Insurance). It is also crucial to include invisible disabilities as well as cyclical disabilities and not to limit eligibility to the Benefit based on medical diagnosis. Disability is mostly a social construct, and the eligibility criteria should reflect this.

As for the age criterion included in the law, we are in favour of keeping it as is. The provinces and territories generally have specific programs for minors with disabilities. This is the case in Quebec, and we do not believe it is necessary to amend Bill C-22 to broaden its scope.

For all practical purposes, the most critical question is what kind of support is given to family caregivers. These people, the majority of whom are women (Proche Aidance Québec, 2021), sometimes have to leave their employment to take care of their loved ones (Lecours, 2015), without receiving financial assistance from programs dedicated to persons with disabilities or mental health conditions. In this respect, the regulatory process will have to consider their eligibility for the Benefit.

Recommendation #7: Ensure that the definition of disability follows the Accessible Canada Act and includes cyclical, periodic and invisible disabilities.

Recommendation #8: Consider granting access to the Canada Disability Benefit to caregivers who have left their jobs to care for a loved one.

ii. Individualization of benefits

Women with disabilities are more likely to experience violence and financial abuse than the rest of the population (DAWN Canada, 2014)². Therefore, it is essential to fully individualize the future Benefit to limit financial dependency and abuse.

In this sense, we believe that the benefit design should not consider the spouse's income, assets and liquid assets. This would allow more women to have access to the Benefit and thus strengthen their financial security, giving them more independence.

While individualization of the Benefit will not resolve issues of violence against women, particularly those with disabilities or mental health conditions, it would be a step in the right direction. Women's Shelter Canada notably recommended this in its roadmap for the National Action Plan on Violence Against Women and Gender Violence (Dale et al., 2021).

Of course, completely individualizing the Benefit could lead to misuse, especially in situations where the spouse has a very high income. However, this should not be a significant concern, as the taxation of the spouse's income will more than compensate for the amounts paid to the woman with a disability or mental health condition.

Recommendation #9: Fully individualize the Benefit to prevent violence and financial abuse against persons with disabilities or mental health conditions.

iii. Abandon restrictions on work

For our organizations, employment is one of the best ways to promote social inclusion and economic participation of persons with disabilities or mental health conditions.

Contrary to popular belief, persons with disabilities and mental health conditions who use social assistance programs want to work. Very few individuals want to depend on a social assistance program, primarily because staying at home does not provide much inspiration or a strong sense

² Although these issues can also affect men with disabilities, the scientific literature is less clear on this. Consequently, focus is placed on the situation of women with disabilities in situations of abuse.

of belonging to the community. Unfortunately, financial assistance programs severely restrict recipients' ability to keep employment earnings. In Quebec, the monthly limit is set at \$200 for a single adult, after which a 100% reduction rate applies to the monthly Benefit.

These clawbacks create real "poverty traps" that must be avoided. Of course, the federal Benefit will not address territorial and provincial issues, but the federal government could decide that there will be no reduction of the Benefit based on employment earnings. In return, the Benefit would have to be treated as taxable income, so claimants with substantial earnings would have to pay tax whenever applicable. We believe taxation is the best way to allow individuals to work while ensuring a fair redistribution of wealth.

Furthermore, given the relatively modest amounts of money involved, we do not believe the Benefit will act as a disincentive to work. Indeed, the stated aim of the Benefit is to lift people out of poverty, not to allow them to be rich. The poverty line is what it is: the line between poverty and more dignified life.

Finally, in the case of Quebec, fraud barely represents a few percent of financial assistance recipients (Porter, 2014).

Recommendation #10 :

- Do not apply any reduction rate to the Benefit in relation to employment earnings.
- Tax the Benefit.
- Work with the provinces and territories to ensure that the reduction rates tied to employment earnings are phased out so that people can work and lead dignified lives.

iv. Indicator to be used to determine the Benefit amount

Among all the issues that will be considered in the regulatory process, choosing an indicator to determine the Benefit amount is probably the most sensitive. This issue is critical because the choice of indicators for calculating the Benefit will have significant budgetary implications that will undoubtedly be the subject of intense negotiations with other federal departments.

Several indicators of low income exist and are used in Quebec and Canada: the Low-Income Measure, the Market Basket Measure and the Low Income Cut-off. In the case of the Benefit, we believe that the **Market Basket Measure** is the most appropriate because it allows for regionalization, is relevant and genuinely measures the cost of living.

Of course, it may seem unfair that some people should receive more money depending on where they live, but this is simply a way to achieve substantive equality among all citizens in the country, which the Supreme Court of Canada recognizes as a good motivation (Masson and Butler, 2021).

That being said, we also believe that this measure must be supplemented to take into account the additional costs associated with certain forms of disability and mental health conditions. These costs will have to be documented and determined at a later date.

Recommendation #11 :

- Use the Market Basket Measure (MBM) as determined by Statistics Canada to regionalize the amount of the Benefit, achieve substantive equality and allow for a dignified life for all Canadians.
- Improve the Market Basket Measure by taking into account the additional costs associated with disability.

B. List of recommendations

Recommendation #1: Do not amend bill C-22 and proceed with its expeditious adoption.

Recommendation #2: work with the provinces and territories to coordinate benefits.

Recommendation #3 :

- Rapidly create workgroups on the regulatory aspects of the Benefit, made up of persons with disabilities and mental health conditions, their organizations and policy experts.
- Clarify the mandate and scope of the work of these workgroups and their composition.

Recommendation #4: in an initial implementation phase, provide access to the Benefit to recipients of provincial or territorial financial assistance programs for persons with disabilities or mental health conditions.

Recommendation #5 :

- Ensure the Benefit is not an excuse for provincial and territorial governments to scale down their financial assistance programs.
- Ensure the Benefit is complementary to provincial and territorial programs.

Ensure the Benefit lifts out-of-poverty individuals who have difficulty accessing provincial and territorial financial security programs.

Recommendation #6: Update provincial and territorial legislation to ensure coordination of benefits and that recipients will not be penalized.

Recommendation #7: Ensure that the definition of disability follows the Accessible Canada Act and includes cyclical, periodic and invisible disabilities.

Recommendation #8: Consider granting access to the Canada Disability Benefit to caregivers who have left their jobs to care for a loved one.

Recommendation #9: Fully individualize the Benefit to prevent violence and financial abuse against persons with disabilities or mental health conditions.

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Recommendation #11 :

- Use the Market Basket Measure (MBM) as determined by Statistics Canada to regionalize the amount of the Benefit, achieve substantive equality and allow for a dignified life for all Canadians.

- Improve the Market Basket Measure by taking into account the additional costs associated with disability.

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