



Canada Social Report

Federal Policy Monitor

March 2016



CANADA SOCIAL REPORT



The [Caledon Institute of Social Policy](#) regularly scans for the release of federal government policies and programs that impact areas of interest, including income security, disabilities, health, housing, poverty reduction, recreation, seniors and youth.

Monitors can be searched on the Canada Social Report website by date and category.

BUDGET HIGHLIGHTS

Social policy-related highlights include:

children

- \$500 million is provided to support establishment of a national framework on early learning and child care
- a new Canada Child Benefit will replace the previous Universal Child Care Benefit with maximum payments of \$6,400 per child under the age of 6 and \$5,400 per child ages 6 to 17. The value of these benefits will be reduced for families with higher income

caregiving

- Budget 2016 recognized that Canada's aging population will require additional and immediate investments in home care. The mandate letter of the Health Minister tasks her with engaging the provinces and territories in developing a multi-year Health Accord, which will focus on four key areas. First, it must support the delivery of more and better home care services. Second, a new Health Accord must advance pan-Canadian collaboration on health innovation to encourage the adoption of digital health technologies. Third, there must be improved access to necessary prescription medications. Finally, high-quality mental health services must be more available to Canadians who need them. Budget 2016 provides immediate investment to support innovations in health care technology. It notes that negotiations in the other identified priority areas are under way
- Budget 2016 flagged the Government's intention to make Compassionate Care Benefits within Employment Insurance easier to access, more flexible and more inclusive for those who provide care for seriously ill family members
- the Budget announced Ottawa's intention to explore ways to ensure that federally regulated employees are better able to manage the demands of paid work and their personal and family responsibilities outside of work

disability

- Budget 2016 proposes to provide an additional \$4 million over two years, starting in 2016-17, for the existing Enabling Accessibility Fund. The new monies will support the capital costs of construction and renovation related to improving physical accessibility and safety for people with disabilities in the community
- the Liberal Government will undertake a process of consultation with provinces/territories, municipalities and stakeholders in order to introduce a Canadians with Disabilities Act. The Budget allocates \$2 million over two years, starting in 2016-17, to support the engagement of Canadians with disabilities in this effort

education

- Budget 2016 provides greater support for post-secondary education through enhancements to the Canada Student Grant amounts by 50 percent. The grants will go from \$2,000 to \$3,000 per year for students from low-income families, and will rise from \$800 to \$1,200



per year for students from middle-income families. They will increase from \$1,200 to \$1,800 per year for part-time students

- The loan repayment threshold under the Canada Student Loans Program's Repayment Assistance Plan will also increase to ensure that no student will have to repay a Canada Student Loan until earning at least \$25,000 per year

housing

Budget 2016 announced \$1.4 billion of new spending for housing in 2016-17 and \$960 million in 2017-18. This is the single largest item of expenditure in the new government's infrastructure initiative. The housing commitments include:

- \$504 million for new and existing affordable housing with matching funds from provinces and territories, which will be largely responsible for deciding how these funds will be spent
- \$200 million for affordable housing for seniors
- \$574 million for energy and water efficiency retrofits to existing social housing
- \$30 million to help providers maintain rent-geared-to-income units in co-op buildings at least for the next two years while a longer-term plan is worked out
- \$208 million over five years for a new Affordable Rental Housing Innovation Fund to test innovative approaches to lowering the costs of building affordable housing
- \$90 million for the construction and renovation of shelters and transition houses for victims of family violence
- \$111 million for the Homelessness Partnering Strategy which goes to local communities to help fund their homelessness strategies
- \$739 million for housing in First Nations, Inuit and northern communities

income security

The Budget proposes higher transfers to seniors and middle class families, as well as enhancements to employment insurance:

- Canada student grants will be increased for students from low- and middle-income families and removes Canada Student Loan repayment obligations until graduates earn at least \$25,000 per year
- the Guaranteed Income Supplement for single seniors will rise by 10 percent from its current maximum amount of \$773.60 per month (\$9,284 annually) to an estimated \$850.96 as of July 2016 or \$10,212 per year. The measure will cost more than \$670 million annually and will improve income security for about 900,000 single seniors

- the government will withdraw the scheduled increase in the retirement age for seniors' benefits (Old Age Security, the Guaranteed Income Supplement and the Allowance) from 65 to 67
- the Government reiterated its intention to undertake public consultations the Canada Pension Plan, with the goal of coming to a joint decision with the provinces and territories prior to the end of 2016
- Employment Insurance benefits will be extended for eligible claimants in areas affected by the recent decline in commodity prices. Eligible claimants will have reduced waiting times and obligations to take lower-paying or more distant work. New and re-entrants to the labour market will no longer face higher work hour eligibility requirements than others in their region
- elimination of income splitting tax credit (2016), education and textbook tax credits (2017), Children's Fitness and Arts Tax Credits (2017)
- introducing a refundable school supply tax credit for teachers' expenditures on eligible supplies
- a tax cut for the middle class was one of the first announcements of the Liberal campaign. Budget 2016 confirmed the promise to reduce the rate on the income tax bracket between \$45,000 and \$90,000 from 22 percent and 20.5 percent. The Liberals also made a commitment to increase the rate on income over \$200,000 from 29 percent to 33 percent.

indigenous peoples

- investments in Indigenous community infrastructure, amounting to \$3.5 billion over five years

labour market

- a \$50 million increase for the Canada Job Fund Agreements in the 2016-17 fiscal year
- enhancements in other skills and training programs, including the Labour Market Development Agreements, which fund employment services primarily for workers who are eligible for Employment Insurance, through the Employment Insurance fund.

Federal government site: <http://www.budget.gc.ca/2016/docs/download-telecharger/index-en.html>

Caledon Institute paper, "The Social-Policy-Is-Back Budget": <http://www.caledoninst.org/Publications/PDF/1092ENG.pdf>

DEMOGRAPHICS

Statistics Canada reported that the country's population was estimated at 36,048,500 on January 1, 2016, up 62,800 from October 1, 2015. In the fourth quarter, Canada's population growth rate was 0.17 percent, twice the rate observed for the same quarter in 2014 (+0.08 percent). Over the last year, population growth slowed slightly from 1.04 percent in 2014 to 0.95 percent in 2015. This slowdown was much greater in Alberta (from +2.38 percent to +1.72 percent), Yukon (from +1.78 per-



cent to +0.71 percent) and the Northwest Territories (from +0.70 percent to +0.28 percent).

<http://www.statcan.gc.ca/daily-quotidien/160316/dq160316c-eng.htm>

Statistics Canada released the March 2016 edition of *Canadian Megatrends*, focusing on the causes and rates of death. Death rates from all causes combined have been steadily decreasing for both men and women. From 1950 to 2012, the annual death rate for men declined from 1,831.5 deaths per 100,000 men to 843.4, a drop of 53.9 percent. During the same period, the rate for women declined from 1,475.6 deaths per 100,000 women to 580.3, a drop of 60.7 percent. Today, cancer is the leading cause of death, while better diets and public awareness of the dangers of smoking, community advocacy efforts concerning drinking and driving, seatbelt use, improvements in pre-natal and post-natal care, and childhood vaccinations have all contributed to increased longevity among Canadians.

<http://www.statcan.gc.ca/daily-quotidien/160321/dq160321e-eng.htm>

DISABILITY

The government tabled the *Act to Amend the Copyright Act* (access to copyrighted works or other subject matter for persons with perceptual disabilities). The legislation will allow Canada to join the Marrakesh Treaty, which is aimed at opening up the exchange of print material around the world. The Act will also enable schools, libraries and charitable organizations to support the education and employment of people with disabilities. More than 800,000 Canadians have a visual impairment. Close to 3 million Canadians are print-disabled, which means that they have an impairment related to comprehension (e.g. autism) or the inability to hold or manipulate a book (e.g. Parkinson's disease). It is estimated that only 5 to 7 percent of published works are accessible to these individuals.

<http://news.gc.ca/web/article-en.do?mthd=tp&crtr.page=2&nid=1042249&crtr.tp1D=1>

EMPLOYMENT

Statistics Canada reported that employment was virtually unchanged in February (-2,300 or 0.0 percent) as gains in part-time work were offset by losses in full time. The unemployment rate rose by 0.1 percentage points for the third consecutive month, reaching 7.3 percent for the first time since March 2013. On a year-over-year basis, employment grew by 0.7 percent (+118,000), with the gains mostly coming from full-time work (+82,000 or +0.6 percent). At the same time, the number of hours worked increased by 1.0 percent.

<http://www.statcan.gc.ca/daily-quotidien/160311/dq160311a-eng.htm>

GOVERNANCE

The Parliamentary Budget Officer released *2015-16 Supplementary Estimates (C)* which outlines \$5.1 billion of additional budgetary spending. This amount brings total planned budgetary spending for the year to \$251 billion, 3.7 percent higher than the previous year. For the first time, this report publishes details regarding \$5.1 billion of unspent

funds, of which \$1.8 billion are Treasury Board Central Votes, and \$3.3 billion are frozen allotments. Frozen allotments are monies approved by Parliament but held in escrow by the Treasury Board. Since 2004-05, frozen allotments have, on average, represented roughly two-fifths of annual "lapsed" funding. If the pattern from previous years holds, this would imply a total lapse higher than the Government projected in Budget 2015. This would potentially result in lower than anticipated Direct Program Expenses.

http://www.pbo-dpb.gc.ca/en/blog/news/Supps_C_2015_16

The federal government announced a new Advisory Council on Economic Growth, a group of 14 members composed of Canadian and international business and academic leaders. Members will assist the government in its efforts to develop a growth strategy by year's end. They will focus on providing higher living standards and greater opportunity for the middle class, looking first at finding ways to overcome the challenges posed by an aging population.

<http://www.fin.gc.ca/n16/16-031-eng.asp>

Statistics Canada reported that quarterly data for Government Finance Statistics (GFS), a system that presents fiscal statistics using the international standard GFS developed by the International Monetary Fund, are now available. This standard allows consistent aggregation and analysis across countries.

<http://www.statcan.gc.ca/daily-quotidien/160321/dq160321f-eng.htm>

HEALTH

The government announced \$13.8 million in funding for 22 innovative eHealth projects. eHealth innovations use sophisticated technology to create greater efficiency within the health care system, improved patient experience and better coordination across different levels of care. The 22 research projects focus on youth mental health and on seniors with complex care needs at home.

<http://news.gc.ca/web/article-en.do?mthd=tp&crtr.page=1&nid=1037849&crtr.tp1D=1>

HOUSING

The New Housing Index rose 0.1 percent in January, following an identical increase in December. The advance was led by higher new home prices in Vancouver and the combined region of Toronto and Oshawa. The increase was largely moderated by lower or unchanged prices in two-thirds of the metropolitan areas.

<http://www.statcan.gc.ca/daily-quotidien/160310/dq160310c-eng.htm>

INCOME SECURITY

In January, the number of Canadians receiving regular Employment Insurance (EI) benefits totalled 543,100, virtually unchanged from the previous month. Seven provinces saw an increase in the number of EI beneficiaries. The largest increases were recorded in New Brunswick (+4.2 percent), Newfoundland and Labrador (+3.2 percent), Saskatche-



wan (+2.4 percent) and Alberta (+2.0 percent). There were fewer people receiving EI benefits in Québec (-2.0 percent) and British Columbia (-1.2 percent). In the 12 months to January, the total number of EI beneficiaries increased by 35,900 or 7.1 percent, largely as a result of increases in Alberta. Despite the year-over-year increase, the number of beneficiaries in Canada has levelled out since the summer of 2015.

<http://www.statcan.gc.ca/daily-quotidien/160324/dq160324a-eng.htm>

Following Budget 2016, the government announced a series of improvements to the Employment Insurance (EI) system. Nine changes are detailed, including the extension of EI benefits in 12 EI economic regions that have experienced a sharp and sustained increase in the local unemployment rate without showing significant signs of recovery. For all eligible claimants in these 12 regions, this change will provide an additional five weeks of EI regular benefits, up to a maximum of 50 weeks. An extra 20 weeks of EI regular benefits will also be available to long-tenured workers in the affected 12 regions, up to a maximum of 70 weeks. Other measures are outlined at [Link](#)

INDIGENOUS PEOPLES

Statistics Canada has released fact sheets on Indigenous peoples in Canada's provinces. These publications present a statistical overview of the socioeconomic characteristics of Indigenous peoples in the provinces. They include information on living arrangements of children, education, employment, income, housing, health and languages of the Indigenous population. Data are from the 2011 National Household Survey, the 2012 Aboriginal Peoples Survey and the 2012 Canadian Community Health Survey.

<http://www.statcan.gc.ca/daily-quotidien/160314/dq160314e-eng.htm>

LABOUR MARKET

Average weekly earnings of non-farm payroll employees were \$953 in January, down 0.7 percent from the previous month. Compared with 12 months earlier, average weekly earnings were little changed (+0.4 percent). The drop in weekly earnings reflects a number of factors, including wage growth; changes in the composition of employment by industry, occupation and level of job experience; and average hours worked per week. Non-farm payroll employees worked an average of 32.9 hours per week in January, down from 33.3 hours in December and 33.0 hours in January 2015.

<http://www.statcan.gc.ca/daily-quotidien/160331/dq160331b-eng.htm>

WOMEN

Visible minority women were more likely than women who were not a visible minority to have a university degree in 2011. About 50 percent of visible minority women ages 25 to 54 who were second generation – those born in Canada, but with at least one parent born elsewhere – had a university degree. These women were also more likely to have a

university degree than same-aged visible minority women of other generations and same-aged men, regardless of visible minority or generation status.

<http://www.statcan.gc.ca/daily-quotidien/160303/dq160303a-eng.htm>

The government announced the launch of the 10-year Wilfred and Joyce Posluns Chair in Women's Brain Health and Aging. Women today suffer from depression, stroke and dementia twice as much as men, and an astounding 70 percent of new Alzheimer's patients are women. The Chair holder will conduct research that accounts for ways in which social and biological influences can affect brain health and aging.

<http://news.gc.ca/web/article-en.do?mthd=tp&crtr.page=2&nid=1038789&crtr.tp1D=1>