



Canada Social Report

Federal Policy Monitor

June 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.

CHILDREN

Canada ratified the International Labour Organization's Minimum Age Convention, 1973. This international treaty seeks to eliminate child labour and ensure that children do not leave school to join the workforce full time. The Convention requires ratifying member states to set a minimum age for employment of at least 15 years and to prohibit hazardous work for young workers under the age of 18, unless specific measures are put in place.

[Link](#)

CHILDREN/HEALTH

Sedentary lifestyles are contributing to a creeping 'sleepidemic' in Canadian children and youth, according to the 2016 ParticipACTION Report Card on Physical Activity for Children and Youth. For the first time, the Report Card assigns a grade to sleep and includes the world's first guidelines for what a healthy 24-hour period looks like for children and youth.

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COMMUNITIES

A new Statistics Canada study, based on the 2013 General Social Survey on Giving, Volunteering and Participating, found a positive correlation between employers who offered a workplace conducive to volunteering and employees' volunteering rates. The study found that 44 percent of the target group reported working for an employer that offered some form of volunteering support. Employers encourage employees to participate in volunteer activities in a variety of ways, such as permission to use facilities and equipment, paid time off, modified work schedule and recognition for volunteering. The study reveals that of all employees ages 20 to 64 who were surveyed in 2013, those who received support from their employer (55 percent) were more likely to have volunteered in the previous 12 months than those who received no support (37 percent).

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DISABILITY

The government announced \$2 million in funding this year to Canadian National Institute for the Blind through the Social Development Partnerships Program – Disability component to continue to support CNIB in its production of alternate format published materials for people with print disabilities.

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The federal government announced the launch of a national consultation process to inform the development of legislation that will transform how the Government of Canada addresses accessibility. Barriers faced by people with disabilities include:

- physical, architectural and electronic barriers that impact the ability of people with disabilities to move freely in the built environment, use public transportation, access information or use technology
- attitudes, beliefs and misconceptions that some people may have about



people with disabilities and what they can and cannot do

- outdated policies and practices that do not take into account the varying abilities and disabilities that people may have.

The federal government is seeking input for this new legislation, including:

- feedback on the overall goal and approach
- to whom it would apply
- what accessibility issues and barriers it could address
- how it could be monitored and enforced
- what else the Government of Canada could do to improve accessibility.

The consultation process will run until February 2017.

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The *Act to Amend the Copyright Act* (access to copyrighted works or other subject matter for persons with perceptual disabilities) has received royal assent. The amendments to the *Copyright Act* enable Canada to be among the first countries in the world to accede to the Marrakesh Treaty to Facilitate Access to Published Works for Persons Who Are Blind, Visually Impaired or Otherwise Print Disabled. By bringing the country's copyright law in line with the Treaty, Canada ensures a wider availability of books and other materials for Canadians with visual impairments and print disabilities.

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EDUCATION

Statistics Canada released *Education Indicators in Canada: Report of the Pan-Canadian Education Indicators Program*. This report presents education indicators for all of Canada, the provinces and territories and selected international comparisons and comparisons over time. This edition includes estimates and projections for Aboriginal children and young people, as well as information on university tuition fees, university finances, elementary and secondary school teachers, apprenticeships, and education and labour market transitions.

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EMPLOYMENT

Statistics Canada reported that in April, 538,400 people received regular Employment Insurance (EI) benefits, down slightly from the previous month (-4,900 or -0.9 percent). On a year-over-year basis, the total number of EI beneficiaries in Canada went up by 12,400 or 2.4 percent, mainly as a result of increases that occurred early in the summer of 2015.

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FAMILIES

The Parliamentary Budget Officer released *Financial Impacts of Budget 2016 Measures on Selected Families with Children*, an analysis of the impact of Budget 2016 measures for eight types of families with children.

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Statistics Canada released a new study, *Diversity of young adults living with their parents, 1981 to 2011*. It found that, in 2011, 42 percent of young adults ages 20 to 29 lived with their parents, up from 27 percent in 1981. The proportion of young adults living with their parents not only varied by age and gender, but also across a range of socioeconomic and ethnocultural characteristics. For example, the proportion of young people living with their parents was typically higher among those who had immigrated to Canada at an early age, within some visible minority groups and among those who had a religious affiliation.

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GOVERNANCE

As announced in Budget 2016, the federal government has committed an additional \$88 million over five years to legal aid funding partnerships with the provinces and territories. An extra \$30 million per year in ongoing funding will make available more legal aid and support new ways of delivering services. Performance measurement will also be added to make sure legal aid funding is doing what it needs to do.

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The Parliamentary Budget Officer's *2015 Fiscal Sustainability Report* concluded that the federal government had room to increase spending or reduce taxes. Measures in Budget 2016 have reduced this room. However, the government continues to have flexibility to expand policy while maintaining fiscal sustainability. The report includes further sustainability assessments for spending by the federal government, sub-national governments (i.e., combined territorial, provincial, local and Indigenous governments) and in regard to pension plans.

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HEALTH

Statistics Canada's *Health Reports, June 2016* reported that the average out-of-pocket expenditure on drugs and pharmaceuticals of those who spent less than 5 percent of their household income on these products was \$517. But among those who spent 5 percent or more, average spending was about six times greater – \$3,021. Overall, 4.1 percent of western Canadians reported cost-related non-adherence to prescription medication. Because of the cost, they reported that they did not get the prescription medications they needed or that they stopped taking one or more of the drugs as prescribed for a week or longer. When age and gender were taken into account, people whose out-of-pocket spending on drugs and pharmaceutical products amounted to 5 percent or more of their household income were about two and a half times more likely to



report cost-related prescription non-adherence than those spending less than 5 percent.

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The government passed Bill C-14, criminal legislation on medical assistance in dying. The legislation was designed to strike a balance between personal autonomy for those seeking access to medically-assisted dying and protecting the vulnerable. It gives dying patients who are suffering intolerably while in decline on a path toward death the choice of a medically-assisted death. The measures included in the legislation revise the Criminal Code to exempt health care practitioners who provide, or help to provide, medical assistance in dying from otherwise applicable criminal offences. The legislation has been drafted to be consistent with the Charter of Rights and Freedoms, and recognizes the jurisdiction of provinces and territories over the delivery of health care services.

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HOMELESSNESS

Budget 2016 will invest an additional \$111.8 million to enhance services to address homelessness through the Homelessness Partnering Strategy over two years, starting in 2016-17. More than \$12.5 million of the new funding will be invested in the Innovative Solutions to Homelessness stream. That increase will allow a wide range of organizations and stakeholders to develop and test innovative approaches to prevent and reduce homelessness, particularly among specific homeless populations such as Indigenous Canadians, youth, women fleeing violence and veterans.

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The government announced that, following the 2016 homelessness Point-in-Time (PiT) Count, a second nationally coordinated PiT count will be held between March 1 and April 30, 2018 to continue to help communities measure their progress in reducing homelessness. By announcing the 2018 count early, more communities will have an opportunity to participate. Discussions with designated communities, including Canada's major cities, are taking place to guide the approach taken for 2018. The second count will include a focus on engaging with homeless youth and Indigenous communities. Key findings from the first PiT count, which ended on April 30, 2016, will be released in fall 2016.

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HOUSING

The New Housing Price Index rose 0.3 percent in April, following a 0.2 percent increase in March. This was the largest monthly advance since October and was driven mainly by new housing prices in Ontario.

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Canada Mortgage and Housing Corporation's *Seniors' Housing Report* found that the vacancy rate for seniors' residences decreased modestly over the past year, reaching 7.4 percent in 2016, compared to 8.1 percent in 2015.

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Federal, provincial and territorial ministers responsible for housing met to set key priorities for housing in Canada. Ministers discussed the development of a National Housing Strategy and agreed that a long-term vision is essential for meeting the housing needs of Canadians. Feedback from community and key stakeholder consultations will be brought back to ministers when they meet again in the fall.

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INCOME SECURITY

Canada's Finance Ministers have agreed in principle to work on a Canada Pension Plan (CPP) enhancement starting January 1, 2019 that would:

- increase income replacement from one quarter to one-third of pensionable earnings. At maturity, this means that Canadians with \$50,000 in constant earnings throughout their working life would receive a yearly pension benefit of around \$16,000 instead of the \$12,000 they would currently receive, or \$4,000 more per year
- increase the maximum amount of income subject to CPP by 14 percent, which is projected equal to roughly \$82,700 in 2025.

To ensure that these changes are affordable for businesses and Canadians, the government will:

- introduce a long and gradual phase-in starting on January 1, 2019 that will allow more time for businesses to adjust
- enhance the federal Working Income Tax Benefit as a means of offsetting the impact of increased contributions on low-income workers
- providing a tax deduction – instead of a tax credit – for employee contributions associated with the enhanced portion of CPP in order to avoid increasing the after-tax cost of saving for Canadians.

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In July, Canada's 900,000 most vulnerable single seniors will receive a \$947 annual increase to their Guaranteed Income Supplement (GIS) top-up. Additional measures to improve quality of life for seniors include:

- restoring the age of eligibility for the Old Age Security pension and the GIS from 67 to 65
- providing higher benefits to senior couples receiving GIS and Allowance benefits and who are living apart for reasons beyond their control
- enhancing the Canada Pension Plan based on consultations with provinces, territories and Canadians
- looking at how a new Seniors Price Index that reflects the cost of living faced by seniors could be developed



- providing for the construction, repair and adaption of affordable housing to help seniors who face challenges in accessing affordable housing.

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LABOUR MARKET

Statistics Canada's *May 2016 Labour Force Survey* reported that employment was little changed in May (+14,000 or +0.1 percent). With fewer people searching for work, the unemployment rate declined 0.2 percentage points to 6.9 percent, the lowest rate since July 2015.

Full-time employment rose by 61,000 in May. This increase was largely offset by a decline of 47,000 in part-time work. In the 12 months to May, employment increased by 109,000 or 0.6 percent, the result of gains in full-time work. Over the same period, the number of hours worked grew by 0.8 percent.

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Statistics Canada's Longitudinal Employment Analysis Program for 2014 show that, at the national level, net employment growth was 1.6 percent in the private sector in 2014, up from 1.4 percent in 2013. The net employment growth in 2014 is broken down in four sub-components: employment creation by entrants (+1.5 percent), employment creation by growing incumbents (+8.6 percent), employment destruction by exits (-1.2 percent) and employment destruction by declining incumbents (-7.3 percent). As was the case in all years in the post-2000 period, most of the employment movement in the private sector in 2014 was attributable to the expansion and contraction of existing enterprises.

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Statistics Canada's study, *Low income dynamics of Canadian taxfilers, 1992 to 2013*, reported that, from 1992 to 2001, 4.8 percent of taxfilers ages 18 and over on average fell into a low-income situation in each year. By 2013, the rate of entry into low income had declined to 4.1 percent. The entry rate into low income is the number of taxfilers who entered low income in the second year as a percentage of taxfilers who were not in low income during the first year. In 2013, rates of entry into low income were relatively high among taxfilers in lone-parent families (11 percent), taxfilers who had immigrated to Canada less than five years before (9 percent) and taxfilers ages 18 to 24 (7.3 percent).

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A new Statistics Canada study shows that paid employment held steady at 13.2 million from 2009 to 2010, but that figure masks the dynamic nature of Canada's labour market. Regardless of general economic conditions, a large number of workers are reallocated each year. From 2003 to 2013, an average of 2.7 million employees ages 18 to 64 were hired each year, while close to 0.8 million were laid off. These worker flows far exceeded the annual net change in employment, which averaged about 170,000 during that period. At the national level, 5.8 percent of employ-

ees ages 18 to 64 were laid off and 20.2 percent were hired on average each year over the 2003-13 period.

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YOUTH

More than 77,000 jobs have been approved for funding under the Canada Summer Jobs program this year – more than double last year's 34,000. Due to the unprecedented response from employers, particularly in small businesses, 7,000 more jobs were posted than were planned for 2016.

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