



THE CALEDON INSTITUTE OF SOCIAL POLICY

**We have a responsibility to ensure a basic standard to those living in Canada.
In a prosperous society, everyone should have the opportunity to succeed.**

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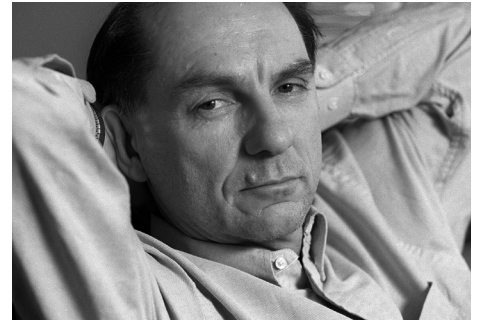
The Caledon Institute is a social policy think tank that does rigorous, high-quality research and analysis. It seeks to inform and influence public opinion, foster public discussion on poverty and social policy, and develop and promote concrete, practicable proposals for the reform of social provisions at all levels of government as well as in the non-governmental sector. The Caledon Institute does not depend on government funding and is not affiliated with any political party.

Social Security Needs Reform

Canadians have access to a number of income programs, tax benefits and social services provided by the federal, provincial/territorial and municipal governments. This broad array of social security measures is intended to ensure support during major life experiences, such as old age, parenting, disability, unemployment and poverty. Social programs are important not only because they afford some protection when things get tough, but also because they contribute to our nation's economic strength, productivity and international competitiveness.

However, Canada's major social programs were created largely in and for an earlier era, and have been struggling to meet the pressures and demands imposed by profound economic, demographic and political changes.

Canada's retirement income system (a mix of public programs and private plans) is among the best in the world, and has helped to greatly reduce poverty in old age. But it is facing growing challenges in fulfilling its earnings-replacement objective, especially for modest- and middle-income households without employer-sponsored plans or private retirement savings. While we have made significant progress in restructuring our child benefits system (i.e., cash payments and income tax cuts for families with children), there is still a substantial way to go in strengthening its poverty-reduction and parental recognition performance. Our early learning and child care services, the responsibility of provincial and territorial governments, are still in their infancy (with the exception of Québec) and badly need help from the federal government.



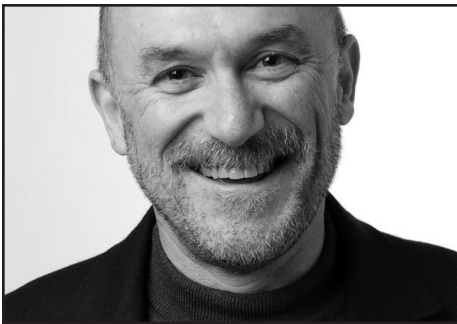
Ken Battle

Ken Battle is President of the Caledon Institute. Before founding Caledon with Maytree in 1992, he was Director of the National Council of Welfare, a citizens' advisory body to the Minister of National Health and Welfare. Educated at Queen's University in Kingston, Ontario and Oxford University in the UK, Ken is one of Canada's leading social policy thinkers. He has played a key role both inside and outside government in the reform of social policy, including the development of the National Child Benefit and the proposed Seniors Benefit. He served as a member of the Ministerial Task Force on Social Security Reform in 1994 and as policy advisor on child benefit reform to the Minister of Human Resources Development in 1996 and 1997. In 2000, he was awarded the Order of Canada (social sciences category). Ken has taught at Queen's University and Carleton University.



Sherri Torjman

Sherri Torjman is Vice-President of the Caledon Institute. She has written in the areas of welfare reform, customized training, disability income and supports, the social dimension of sustainable development and community-based poverty reduction. Sherri was co-Chair of the Technical Advisory Committee on Tax Measures for Persons with Disabilities that reported to the Minister of Finance and the Minister of National Revenue in December 2004. She has worked for the House of Commons Committee on the Disabled and the Handicapped, the House of Commons Special Committee on Child Care and the Royal Commission on New Reproductive Technologies. Sherri taught a course in social policy at McGill University and is a former Board Member of the Ontario Trillium Foundation.



Michael Mendelson

Michael Mendelson is Senior Scholar at the Caledon Institute. He has held many senior public service positions, including the Deputy Secretary (Deputy Minister) of Cabinet Office in Ontario. In Manitoba, he was Secretary to the Treasury Board and Deputy Minister of Social Services. He has served as Assistant Deputy Minister in Ontario's Ministries of Finance, Community Services and Health. Michael has published many articles on social and fiscal policy, as well as books on the issue of universality and the administrative cost of income security programs.

Weakest of all is the collection of income programs for working-age adults. The two largest programs – social assistance (better known as welfare) and Employment Insurance – were designed and operate in isolation from each other. Welfare is an archaic, poverty-deepening program that does more harm than good and creates a “welfare wall” that makes it difficult for some recipients to leave and move into the workforce. Belt-tightening changes in the 1990s have shrunk coverage of unemployment insurance (renamed Employment Insurance in 1996) to the point where only four in ten of the unemployed now qualify for benefits. Welfare and Employment Insurance have not evolved to reflect the changing labour market, increasingly made up of part-time or contract work with little job security and few benefits. Demographic shifts such as aging, the growing Aboriginal population, increased immigration and a rise in the numbers of Canadians with disabilities also pose difficult challenges to the income security system and social services. On a positive note, the federal government recently created the Working Income Tax Benefit to bolster the earnings of the working poor, and some provinces offer similar programs.

Policy Ideas to Provide Income and Support to Caregivers

An estimated three million Canadians act as unpaid or informal caregivers. They provide care and assistance for family members and friends in need of support because of physical, cognitive or mental health conditions.

Most caregivers willingly assume their role and would not choose any other arrangement. Still, many acknowledge that they could use help with their ongoing and often onerous responsibilities – but are frequently confronted with waiting lists for the services they need.

In addition, caregivers face increased financial expenses such as fees for home care services, transportation costs for medical appointments, drug dispensing, technical aids and equipment, and home modification. Many must reduce their hours of work or leave jobs altogether.

Caregivers who exit the workforce without leave, insurance coverage or pension protection risk their long-term economic security. Interruptions to pension plan contributions affect their ability to save, jeopardizing their future financial security.

Investment in supports for caregiving is needed not only to meet the current needs of seniors and persons with disabilities, but also to prepare for the next 20 years in which four in ten Canadians will be over age 65.

1. Create a \$50-million Caregiving Supports Fund to expand the quantity of existing supports and improve the efficiency and quality of services to caregivers.*

Long waiting lists for service, particularly care at home, create serious pressures on the formal health care system.

The supply of caregiver goods and services can be enhanced through the creation of a Caregiving Supports Fund. Provinces and territories would share the costs with the federal government. The proposed financing would take the form of a block fund that would allow flexibility in design and delivery, and would enable the integration of disparate pieces of the current “system.” The Fund would expand the quantity of existing supports, reduce cost, ideally improve quality and ensure portability across regions.

Further Reading:

Torjman, S. and A. Makhoul. (2008). *Caregivers and Dementia*. Ottawa: Caledon Institute of Social Policy, June.

2. Expand EI compassionate care leave provisions to allow special leave for the care of persons with chronic conditions.

The compassionate care leave benefit, launched January 2004, allows Canadians who meet the eligibility requirements for Employment Insurance special benefits and who have served a two-week waiting period to take six weeks of paid leave to care for a gravely ill child, parent or spouse who is at risk of dying within 26 weeks.

Compassionate care leave is meant to protect workers’ jobs while allowing them to spend the intensive time necessary to care for a dying person. While important, the compassionate care leave measure is too narrow. It leaves out many thousands of caregivers who may need some paid leave for caregiving responsibilities for persons not gravely ill or dying.

The federal government should extend the compassionate care leave provisions under the *Employment Insurance Act* to allow special leave for the care of persons with chronic but not necessarily palliative conditions including dementia, cancer and episodic conditions, or for care of a relative with a severe disability. The timing of the benefit should be more flexible to recognize other crisis or stressful periods during which intensive caregiving may be required.

* The proposed figure is based on the amount of the Enabling Accessibility Fund announced in the 2007 federal Budget. The purpose of the \$45-million Fund, which is to be spent over three years, is to support projects throughout the country that improve accessibility, reduce barriers and enable Canadians, regardless of physical ability, to participate in the community. The precise level of funding for a Caregiving Supports Fund would depend upon the design of the Fund in terms of the scope of what it potentially would include and the associated eligibility for these supports.

There is policy precedent for this arrangement in the form of the Federal-Provincial/Territorial Agreement on Early Childhood Development signed in 2000. In March 2003, Ottawa and the provinces/territories announced another Agreement on Early Learning and Child Care. The purpose of these Agreements was to increase the supply of child care and early childhood development services, improve the quality of these services and reduce their cost for low- and modest-income families.

Further Reading:

Torjman, S. and A. Makhoul. (2008). *Caregivers and Dementia*. Ottawa: Caledon Institute of Social Policy, June.

3. Extend the drop-out provisions under the Canada Pension Plan to protect the retirement earnings of caregivers who must temporarily leave the workforce.

The Canada Pension Plan is a social insurance scheme that is attached to workforce participation and is based on average earnings between the ages of 18 and 65. (Québec has a similar arrangement – the Québec Pension Plan – with its own unique set of special leave provisions for personal and family reasons.)

The Canada Pension Plan currently permits workers to exclude from the calculation of pensionable earnings the years when they stopped work or had lower earnings while they had a child under age 7. The federal government should extend the Canada Pension Plan drop-out provisions with respect to care for children to include care for an infirm or aging relative, or for a family member with a severe disability. Provincial agreement on this proposed measure would be required through a designated amending formula.

Further Reading:

Torjman, S. and A. Makhoul. (2008). *Caregivers and Dementia*. Ottawa: Caledon Institute of Social Policy, June.

4. Make refundable the caregiver and infirm dependant tax credits.

In recognition of the unique financial pressures facing caregivers, the federal government provides some tax relief through two specific measures. The *caregiver credit* gives tax relief to individuals providing care in their home for a low-income infirm adult relative, or a parent or grandparent age 65 and over with a low income. The *infirm dependant credit* gives tax relief to individuals providing support to a low-income adult infirm dependent relative, who may live in a separate residence. The amount of both credits in 2009 is \$4,198, which reduces federal income taxes by a maximum \$630.

Governments have often talked about increasing the amount of these tax credits. But a modest hike would make only a miniscule dent in personal debt, since caregivers get income tax savings worth only 15 percent of the amount of these credits. A small increase would barely make a difference to taxpayers who now qualify – and would be of no help at all to those who do not.

A preferred option would be to make these tax credits *refundable*. This means that households too poor to pay income tax would actually receive some money from the government to help offset their

caregiving costs. Alternatively, Ottawa could turn the tax credits into a modest caregiver allowance that would assist all caregiving households. The UK and Australia, for example, pay a small cash benefit to the family caregiver of individuals requiring chronic at-home care.

Further Reading:

Torjman, S. (2009). *Talking Turkey on Taxes*. Ottawa: Caledon Institute of Social Policy, October.

Torjman, S. (2009). *The Three Ghosts of Poverty*. Ottawa: Caledon Institute of Social Policy, October.

Policy Ideas to Provide Supports for Parents and Children

Early learning and child care services and child benefits are both essential components of reducing child poverty and helping parents with the cost of raising children. They equally are core elements of economic policy because they invest in the critical first years of human capital development and enable parents to work or study.

Yet the demand for quality, affordable child care in Canada far outstrips the available supply. Services are uneven between and, in most cases, within provinces and territories: There is nothing approaching a national system. Most families continue to rely on unregulated child care bought or traded on the market (typically from neighbourhood providers) or provided by relatives. Only Québec has woven affordable child care into its economic and social fabric.

Child benefits – government payments in the form of cash and income tax savings to families with children – are intended to help reduce child poverty and assist families with their child-rearing expenses. Child benefits are an essential income program and have seen considerable progress in the past decade, but they are not a substitute for high-quality child care.

1. Revive the Early Learning and Child Care Agreements.

Prior to the federal election of 2006, the federal government negotiated Early Learning and Child Care Agreements with the provinces. These agreements were guided by clear principles intended to help the provinces build high-quality early childhood development services. Provinces would have considerable flexibility in using the federal funds. The associated reporting and monitoring requirements would provide built-in quality assurance mechanisms. While high-standard principles do not necessarily guarantee good quality, at least they set important benchmarks that can act as the basis for assessment. They also help ensure that the money is spent for its intended purpose.

The next federal government should revive the Early Learning and Child Care Agreements. This initiative would require an investment in the order of \$5 billion over a period of five years. This sum would build on billions of dollars of earlier investments going back to 2000.

Further Reading:

Battle, K. and S. Torjman. (2002). *Architecture for National Child Care*. Ottawa: Caledon Institute of Social Policy, November.

2. Increase the Canada Child Tax Benefit to \$5,000.

The largest federal child benefit, the Canada Child Tax Benefit, boasts several strong features. It is a non-stigmatizing, inclusive and non-taxable program that reaches the large majority (nine in ten) of families, excluding only those with high incomes. It is portable, providing an assured supplement to income no matter where families live or work – or do not work, in the case of families receiving Employment Insurance, social assistance or other benefits. It is progressive, payments declining as incomes rise. It provides the same amount to all families with the same level of income, regardless of the source of that income, the province or territory in which they live or their family type. The Canada Child Tax Benefit has enjoyed substantial increases over the years, from a maximum \$1,605 in 1998 to \$3,416 by 2009 – significant progress towards the target of \$5,000 proposed by the Caledon Institute and endorsed by social groups.

A \$5,000 Canada Child Tax Benefit would reduce the family poverty rate by a full percentage point.

This investment should be funded in part by abolishing the Universal Child Care Benefit and non-refundable child tax credit.

Further Reading:

Battle, K. (2008). *A Bigger and Better Child Benefit: A \$5,000 Canada Child Tax Benefit*. Ottawa: Caledon Institute of Social Policy, January.

3. Eliminate the Universal Child Care Benefit and the non-refundable child tax credit.

Created in 2006, the Universal Child Care Benefit pays \$1,200 annually (unindexed, so today it is worth \$1,103) for every child age 5 or younger, regardless of family income. But benefits are taxable, so most families end up with less than \$1,200 after federal and provincial/territorial income taxes. The program is also inequitable: One-earner couples and two-earner couples with the same income get different amounts because benefits are based on the income of the lower-income parent. Moreover, families with the same net income but living in different jurisdictions end up with different

after-tax benefits because their payments are subject to variable provincial/territorial income tax regimes. Even its name is deceptive: The Universal Child Care Benefit is not tied to use of child care and, even if used for this purpose, covers but a fraction of the cost of child care for most families.

In 2007 the federal government resurrected the extinct non-refundable child tax credit. This program provides federal income tax savings up to \$313 per child under 18 to all except the poorest families, which owe no income tax and so get nothing.

The savings from eliminating these two social policy dinosaurs should be used to help finance a \$5,000 Canada Child Tax Benefit, boosting payments for poor families as well as those with modest and middle incomes.

Further Reading:

Battle, K. (2008). *A Bigger and Better Child Benefit: A \$5,000 Canada Child Tax Benefit*. Ottawa: Caledon Institute of Social Policy, January.

4. Implement systemic reform of education on First Nations reserves.

The first step in achieving “Indian Control of Indian Education” was for the federal government to cede control over First Nations education, and this has largely been done. But the second and more crucial step is for First Nations to step into the vacuum and create the necessary organizational and financial infrastructure for a high-quality First Nations education system, and this has not been done. Despite many First Nations attempts to establish needed educational infrastructure, only bits and pieces of an education system have so far been set up on various reserves across Canada. For the most part, the major elements of an education system for First Nations are missing.

The solution proposed by the Caledon Institute is for a new Act of Parliament which would allow First Nations that wished to do so to establish properly funded First Nations school boards with clear legal empowerment and the necessary regional educational agencies to support them – called a *First Nations Education Act*.

Further Reading:

Mendelson, M. (2009). *Why We Need a First Nations Education Act*. Ottawa: Caledon Institute of Social Policy, October.

Technical aids and equipment include such items as bathroom aids, ostomy supplies, communication devices, feeding equipment, hearing aids, prosthetic and orthotic devices, visual aids, wheelchairs, and positioning and walking aids.

Attendant services provide assistance with personal needs such as feeding, bathing and dressing.

Homemaker services help with household tasks such as meal preparation and home maintenance.

Home health care provides health care services, such as dialysis, at home.

Policy Ideas to Reform Disability Income and Supports

An estimated 4.4 million Canadians live with a disability. Within this large population, there is a great deal of variation. Some people are born with a disabling condition, such as spina bifida. Others acquire a disability, such as multiple sclerosis, in the course of their lifetime. Still others may become disabled as a result of an accident. Many individuals experience impairment in function due to the effects of aging; vascular dementia is just one example.

Regardless of cause, people with disabilities are less likely to work than Canadians without disabilities and, when they do work, less likely to have a full-time year-round job. As a result, persons with disabilities often have no choice but to rely on various income security programs for most or all of their income. The problem is that the current disability income system is an inadequate and complicated patchwork.

In addition, people with disabilities may require supports such as technical aids, equipment and services. Yet many face serious problems gaining access to the supports that they need not only for participation in school, work or recreation – but, in many cases, for survival.

As the population ages, we can expect an increase in individuals requiring both disability income benefits and supports.

1. Introduce a federal disability income program modeled on existing income-tested benefits for seniors.

Provincial/territorial welfare benefits fall below poverty levels, virtually ensuring a life of low income for the estimated half million Canadians with disabilities who rely on this program. As an alternative to welfare for persons with disabilities, the federal government should introduce a disability income program that would provide adequate long-term financial support with no time limits. Payments would be both determined by and vary by level of income.

Eligibility for the new disability income would be on the basis of a modified test currently used for two other federal measures – the disability tax credit and Canada Pension Plan disability benefit.

The proposed disability income program would be modeled on the Guaranteed Income Supplement, which serves low-income seniors. Benefits could be set to equal the combined Old Age Security (OAS) and Guaranteed Income Supplement (GIS) payments, which effectively have eliminated the deepest poverty among the elderly. In 2009, single seniors with no other income receive an annual OAS/GIS maximum of \$14,068. As in OAS and GIS, the new disability

income program would be adjusted quarterly in line with the Consumer Price Index.

This measure will save the provinces about \$4 billion each year because they would no longer carry the cost of benefits for persons with disabilities.

Further Reading:

Battle, K., M. Mendelson and S. Torjman. (2006). *Towards a New Architecture for Canada's Adult Benefits*. Ottawa: Caledon Institute of Social Policy, June.

Battle, K., M. Mendelson, S. Torjman and E. Lightman. (2010). *Design of a Basic Income Program in Canada*. Ottawa: Caledon Institute of Social Policy, forthcoming.

2. Provinces should use their savings from the creation of a federal disability income program to invest in disability supports.

Federal payments under the proposed disability income benefit would result in more than \$4 billion worth of savings for the provinces and territories. Under the terms of a negotiated accord, they would use these savings to invest in a comprehensive system of disability supports.

The cost of disability supports often creates barriers to access. Many persons with disabilities must turn to social assistance to gain access to the supports they require for independent living and participation in society. This proposal provides a way to de-link disability supports from welfare so that persons with disabilities need not remain on social assistance – or any income program – to obtain the equipment and services they require for daily living. The savings derived from introducing a federal disability income benefit would enable provinces/territories to make substantial investments in crucial disability supports in their own unique way.

Further Reading:

Battle, K., M. Mendelson and S. Torjman. (2006). *Towards a New Architecture for Canada's Adult Benefits*. Ottawa: Caledon Institute of Social Policy, June.

Torjman, S. (2000). *Proposal for a National Personal Supports Fund*. Ottawa: Caledon Institute of Social Policy, October.

Battle, K., M. Mendelson, S. Torjman and E. Lightman. (2010). *Design of a Basic Income Program in Canada*. Ottawa: Caledon Institute of Social Policy, forthcoming.

There are hidden costs of disability. They include, for example, the extra expense of travelling to stores that are accessible. Certain physical conditions may involve additional costs for cleaning and tailoring clothes. Parents with children with severe disabilities may have to pay a trained person or nurse for specialized child care rather than less expensive babysitting fees.

3. Make the non-refundable disability tax credit refundable to help cover the hidden costs of disability for low-income Canadians.

Most persons with severe disabilities incur additional costs related to their disability. Supports that can be itemized or quantified often can be claimed through the medical expense tax credit. Other costs, such as the additional hidden expenses associated with accessible transportation, modified clothing and special care at home, are recognized in the federal income tax system through a measure known as the disability tax credit. It provides a set amount of tax relief for these non-itemizable costs; the \$7,196 designated amount in 2009 translates into a federal income tax reduction of a maximum \$1,079.

The problem with this tax provision is that it is non-refundable. Most low-income households do not qualify because their incomes are so low that they do not owe any income tax (though part or all of the credit may be transferred to a supporting person). Neither is this tax credit of value to most Aboriginals on reserve who pay no federal income tax.

Making the disability tax credit refundable would ensure that low-income persons with disabilities and with little or no federal tax liability would be able to take advantage of the current measure.

Further Reading:

Battle, K., M. Mendelson, S. Torjman and E. Lightman. (2010). *Design of a Basic Income Program in Canada*. Ottawa: Caledon Institute of Social Policy, forthcoming.

Policy Ideas to Ensure Income Security for Working-age Adults

Ensuring that Canadians who are temporarily unemployed do not spiral into poverty is an important social policy goal. Yet income security benefits for adults, notably welfare and Employment Insurance, fail to meet the needs of Canadians who are out of work or part of the working poor.

All employed Canadians pay for Employment Insurance (EI) through premiums, but many – indeed most – cannot benefit from the program when they become unemployed because they have not worked enough hours to qualify for assistance. Among the excluded are the long-term or frequently unemployed, many recent immigrants, and part-time and temporary workers. In addition, EI divides Canada into 58 “unemployment regions,” a major cause of the extreme variations in coverage and amount of payment across the country.

Only four in ten of Canada's growing army of unemployed qualify for regular benefits and just one in three of the unemployed in Ontario and the West receive EI, compared to eight in ten in Québec and the Atlantic provinces.

Unemployed individuals who do not qualify for EI or exhaust their EI benefits must deplete most of their savings and assets to qualify for social assistance.

To provide adequate support for the unemployed in today's labour market, we need deep, lasting reforms in the very architecture of income security. Employment Insurance must be strengthened and a new program created for jobless Canadians who cannot qualify for EI.

The recession has made reform even more important.

- 1. Reform EI by raising benefits to 70 percent of insurable earnings, creating uniform requirements across the country and setting premiums counter-cyclically.**

EI's earnings-replacement capacity should be increased from the current 55 percent of insurable earnings to 70 percent, raising maximum weekly benefits to \$570 – their level in the previous recession. There should be one uniform set of rules for work requirements – e.g., 360 hours – and one uniform length of benefits for all Canadians wherever they live and work. The amount of benefit should be calculated on the best 12 weeks of earnings of the previous 26, so as to allow flexibility to take part-time jobs. The two-week waiting period should be discarded.

- 2. Create a new temporary income program for unemployed Canadians who do not qualify for EI.**

Ottawa should create a new program to complement a strengthened Employment Insurance. The new scheme would pay temporary and time-limited, income-tested benefits to jobless workers with low or modest incomes who cannot qualify for Employment Insurance. The new program would prevent tens of thousands of the unemployed from falling onto provincial/territorial welfare rolls.

The temporary income program would not be funded by payroll premiums like Employment Insurance but rather out of general revenues, like most programs.

The 2009 Budget temporarily improved matters for the minority of the unemployed who meet existing EI requirements. The main change is that current EI beneficiaries, and those who lose their jobs over the next two years and meet the eligibility requirements, can draw benefits for an extra five weeks, up to a maximum of 50 weeks. Ottawa also plans to temporarily provide up to 20 additional weeks of EI benefits to “long-tenured workers,” meaning “workers who have worked and paid EI premiums for a significant period of time and have previously made limited use of EI regular benefits.”

These fixes are welcome, but limited in scope – they do not address the critical coverage problem – and only temporary.

One of WITB’s good features is that it gives provinces and territories the option of harmonizing the design of the Working Income Tax Benefit with their particular income security programs (e.g., welfare, earnings supplements minimum wages) and policy priorities. To date, three jurisdictions – B.C., Nunavut and Québec – have taken up the federal offer and reconfigured WITB for their low-wage workers.

3. Fix the financing of Employment Insurance.

Employment Insurance needs to be returned to social insurance principles, with the connection between premiums paid in and benefits taken out restored, both at the individual level and at the macro-level of the economy as a whole. Premiums should be set higher in good economic times and lower when the going gets rough.

The proposed temporary income program would be funded out of general government revenues.

Further Reading:

Mendelson, M., K. Battle and S. Torjman. (2009). *Canada’s Shrunken Safety Net: Employment Insurance in the Great Recession*. Ottawa: Caledon Institute of Social Policy, April.

4. Raise the Working Income Tax Benefit from \$950 to \$1,500 and extend benefits up to \$22,000.

An innovative addition to federal income security architecture – the Working Income Tax Benefit – was put in place in 2007. The Working Income Tax Benefit (WITB) has two major objectives – to reduce disincentives to work for Canadians stuck behind the welfare wall, and to enhance incentives to employment among the working poor (who, despite making up about half the low-income population, have received short shrift from governments).

However, WITB’s benefits are set at such a low level and the program is targeted so far down the income scale that it excludes many of the working poor.

Take the case of a single worker living in Toronto. To receive the maximum benefit of \$925 from WITB in 2009, the most this person can make is \$10,500 – far below the \$18,670 level for someone earning at the poverty line.

If the maximum WITB payment for singles were gradually increased from the current \$925 to, say, \$1,500 and the phase-in threshold raised from \$10,500 to \$12,000, benefits would end at \$22,000 (up from the present \$16,667) and a worker earning at the low income cut-off (\$18,670) would receive \$500.

Further Reading:

Battle, K. (2009) *Beneath the Budget of 2009: Taxes and Benefits*. Ottawa: Caledon Institute of Social Policy, February.



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