

dignité pour touTEs  
la campagne pour un  
canada sans pauvreté



dignity for all  
the campaign for a  
poverty-free canada

[www.dignityforall.ca](http://www.dignityforall.ca) / [www.dignityforall.ca/fr](http://www.dignityforall.ca/fr)

c/o 251 Bank St., 2<sup>nd</sup> Floor, Ottawa, ON K2P 1X3

June 13, 2012

## **OPEN LETTER TO PROVINCIAL/TERRITORIAL MINISTERS OF FINANCE**

Dear Finance Ministers,

As supporters of *Dignity for All: the campaign for a poverty-free Canada*, we the undersigned respectfully request that at the upcoming Federal-Provincial -Territorial meetings of the Ministers of Finance, you place on your agenda the following serious concerns related to the 2012 federal budget implementation bill (Bill C-38).

As background for you, the *Dignity for All* campaign is a coalition of over 575 local and national organizations, 9000 individuals, and 154 Members of Parliament and Senators from all parties that are dedicated to realizing a poverty-free Canada. To this end, we believe the provisions in the bill concerning income security programs for seniors and working age adults will have a profound impact on provincial/territorial interests and the well-being of vulnerable Canadians, and therefore must be discussed in further detail.

In 2011 the Government of Canada took a progressive step forward to assist seniors whose sole source of income comes from Old Age Security (OAS) and the Guaranteed Income Supplement (GIS) by investing an additional \$300 million per year in these programs. However this gain was effectively eliminated in Budget 2012 with the proposed increase of eligibility for OAS from 65 to 67. This was done unilaterally, without consulting the provinces, territories, or Canadians who will be affected by these changes. We strongly encourage you to call for the reversal of the OAS eligibility age increase and for a national conversation on retirement security (that would include, for example, an expansion of the Canada Pension Plan).

It is well documented that increasing the age of eligibility for this vital program will hurt those who least can afford it: low-income seniors. Minister Flaherty has indicated that provincial social assistance programs will cover the cost of this change; however the Parliamentary Budget Officer recently noted the OAS eligibility changes are not required as the program is sustainable in its current form and could even handle an increase in benefits. Can provinces and territories afford to take on this extra expense as seniors are forced to turn to social assistance for support?

We also ask that you raise concerns with Minister Flaherty in respect to the tightening of Employment Insurance (EI) regulations affecting people in precarious work, including the millions of Canadians employed in seasonal work and indeed, all those in jobs that are not full-year and full-time. Changes which force Canadians on EI to accept jobs that don't match their skills and training, that lower wages, and that are farther from home will have a negative impact on individuals and local business. This will ultimately lead to an overall downward pressure on wages and a decrease in the standard of living for many hard-working Canadians and their families. More Canadians working in lower-paid jobs will be denied access to insurance benefits despite paying premiums in good faith. People who previously relied on EI for support may be forced to turn to provincial and territorial assistance programs. Again, is this something the provinces and territories can afford?

The Government of Canada's current ad hoc approach to addressing poverty demonstrates little regard to how these decisions impact provincial and municipal governments as well as individual Canadians. A national poverty elimination strategy would ensure that legislation and government policy reforms are examined to assess their impact on the quality of life for vulnerable Canadians and their families. Without such a strategy, the shuffle of vulnerable people between levels of government will continue.

We are encouraged that today nearly all of our provinces and territories have implemented or are developing a poverty reduction strategy. Bill C-38 highlights that in the absence of a truly Canadian poverty strategy, all the best of provincial intentions may be swept aside if the federal government is not working towards similar goals. We firmly believe that we can work together to build a strong, viable economy while promoting the dignity and potential of all Canadians.

On behalf of our organizational members and supporters we urge you to ask Minister Flaherty to re-consider these provisions in Bill C-38 and encourage the development of a national poverty elimination framework.

Thank-you for your consideration. We look forward to hearing from you.

Sincerely,

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National Coordinator  
**ACORN Canada**

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President  
**Canadian Labour Congress**

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Ken Lewenza  
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**Winnipeg Social Planning Council**

CC: The Honourable Jim Flaherty, Minister of Finance