

Trends in Disability Incomes in Canada

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Foundation

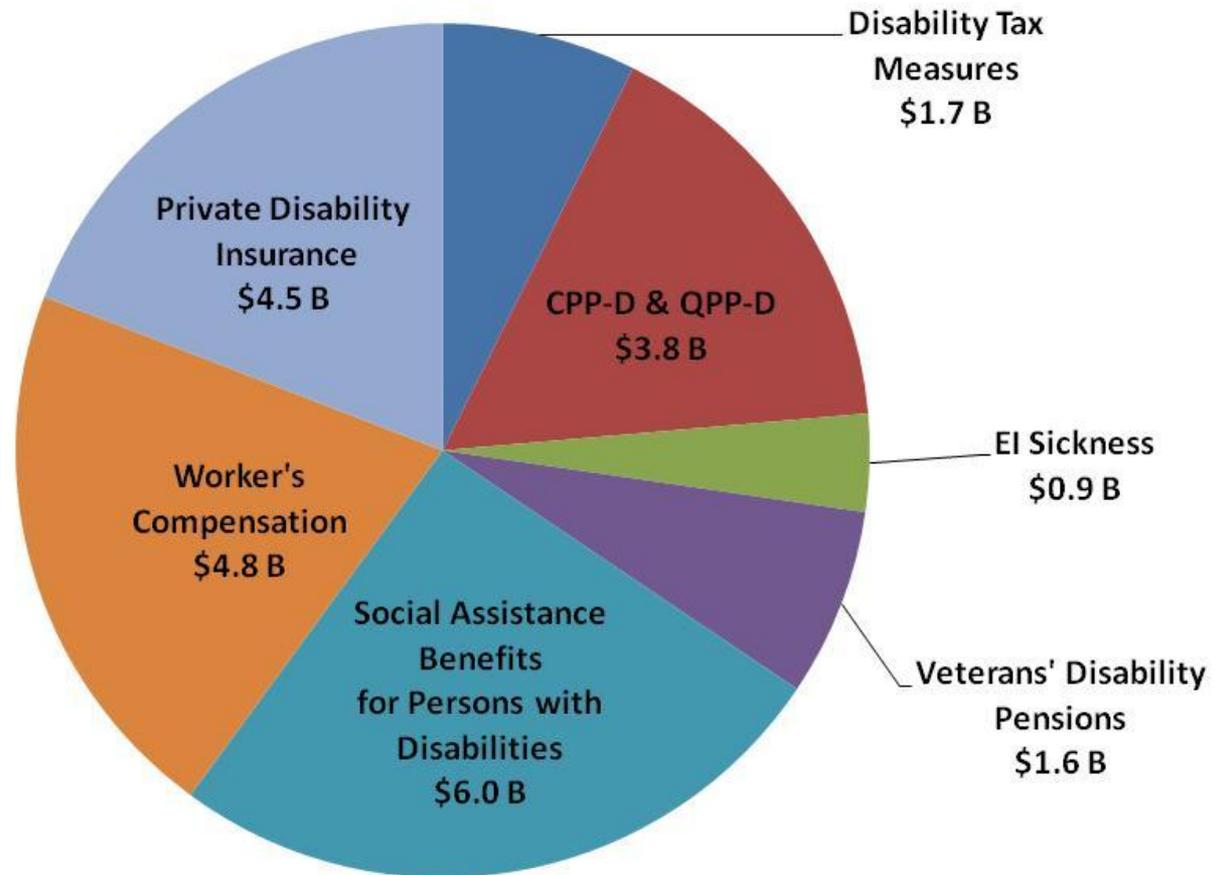
CRWDP

November 2015

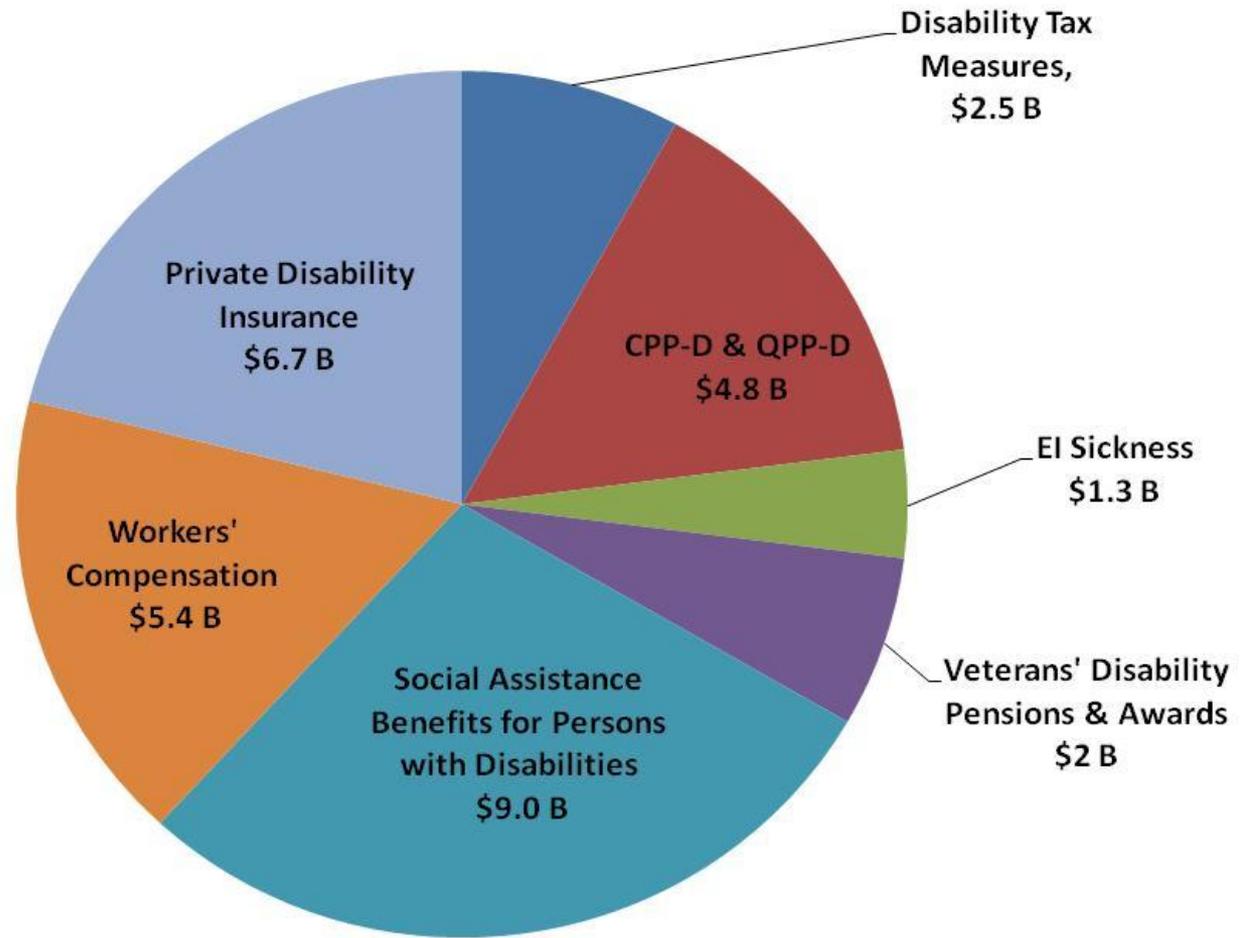
Nine Disability income systems in Canada

- ▶ Social (income) assistance is one of nine disability income systems:
 - CPP-D
 - EI Sickness
 - Veterans
 - Private Plans
 - WSIB
 - RDSP
 - Disability Tax Credits
 - Social (income) assistance
 - WITB-D

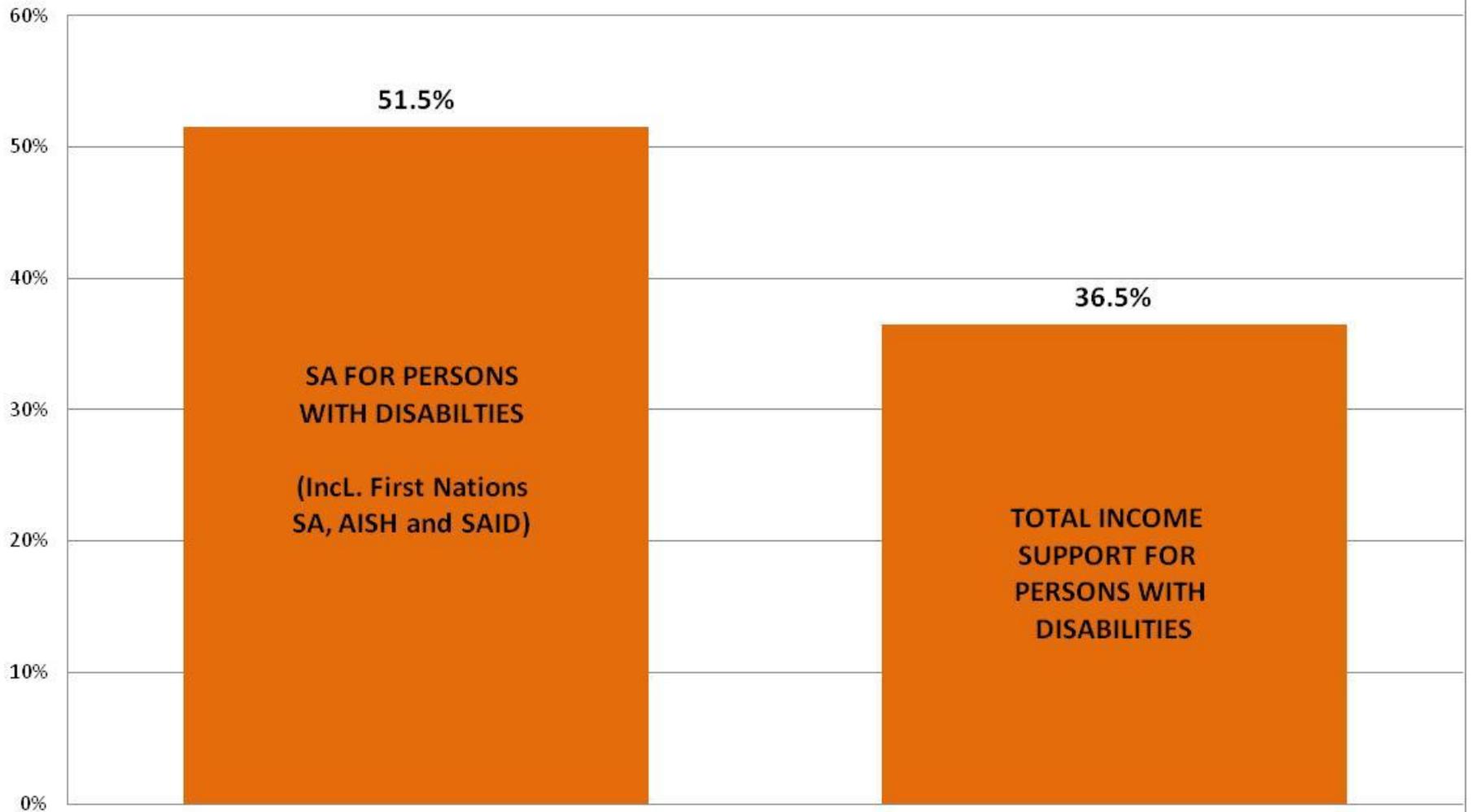
**ESTIMATED BENEFIT EXPENDITURES FOR PERSONS WITH DISABILITIES
CANADA, 2005
\$23.2 B**



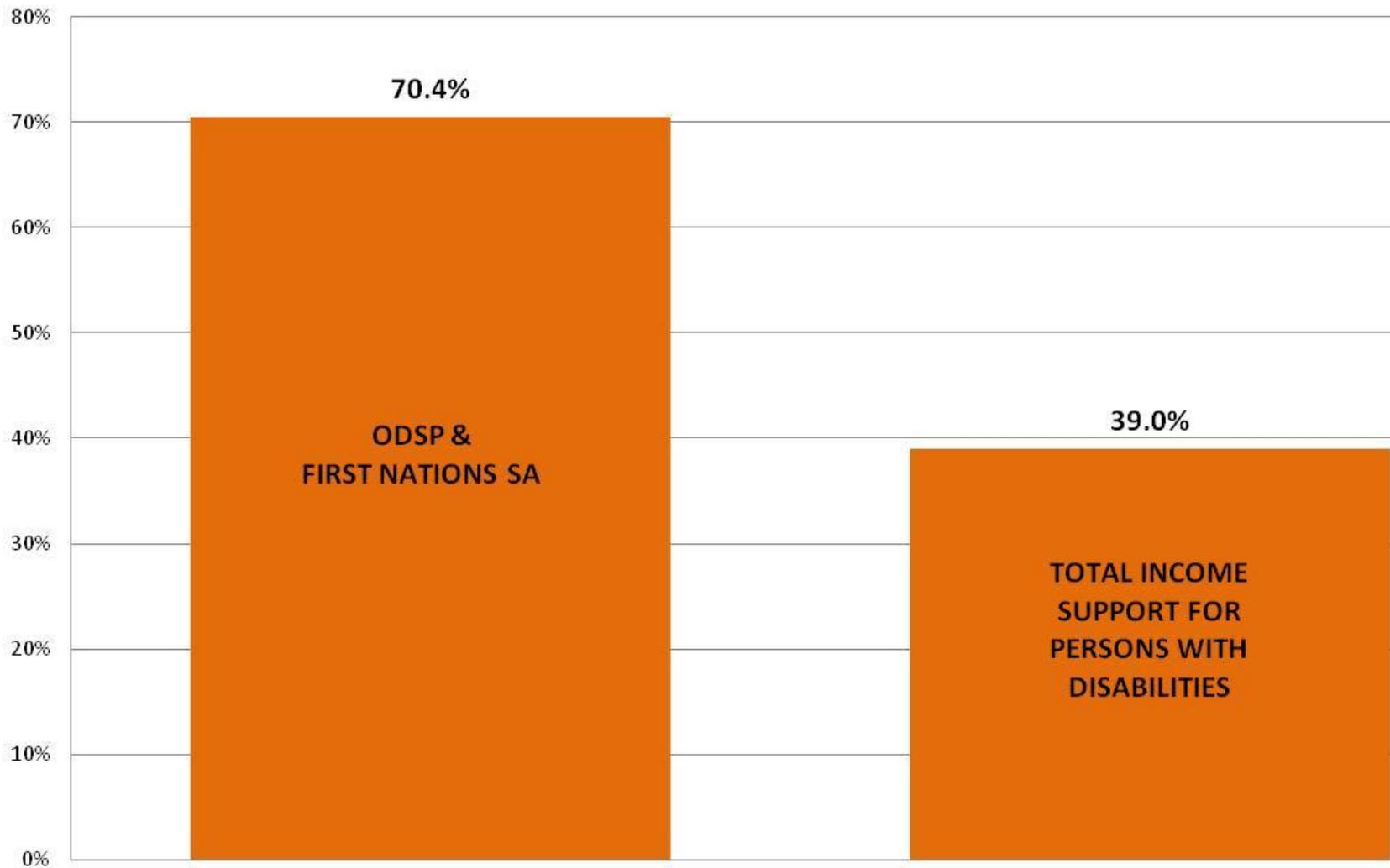
**ESTIMATED BENEFIT EXPENDITURES FOR PERSONS WITH DISABILITIES
CANADA 2013
\$31.7 B**



INCOME SUPPORT FOR PERSONS WITH DISABILITIES: PERCENTAGE CHANGE FROM 2005 TO 2013 CANADA



INCOME SUPPORT FOR PERSONS WITH DISABILITIES: PERCENTAGE CHANGE FROM 2005 TO 2013 ONTARIO

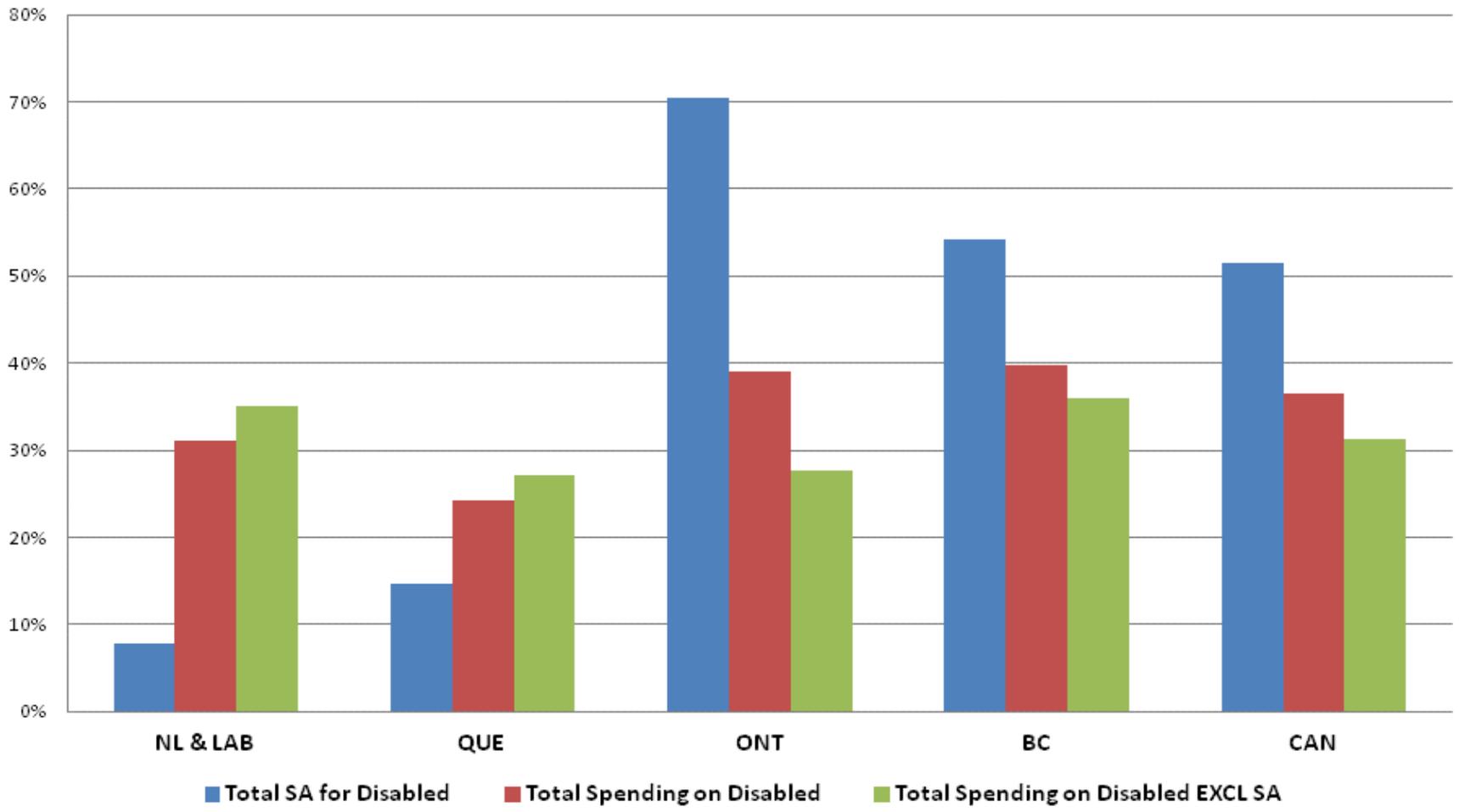


Key Features of the Nine systems

- ▶ Social (income) assistance one of nine disability income systems

Nine Disability Income Systems in Ontario and Canada		
Disability Income System	Requires Employment for Eligibility?	Permanent Monthly Benefits provided to age 65?
CPP	Yes	Yes
EI Sickness	Yes	15 weeks
Veterans	Yes (military)	Yes until recently
WSIB	Yes	Yes until recently
Private Workplace Plans	Yes	Yes until recently
Working Income Tax Benefit	Yes	Yes if low wage work continues
RDSP	No	No
Social (income) assistance	No	Yes
DTC	No	Reduces taxes only

**INCOME SUPPORT FOR PERSONS WITH DISABILITIES
 PERCENTAGE CHANGE IN ESTIMATED EXPENDITURES
 FROM 2005 TO 2013
 NL, QC, ON, BC & CANADA**

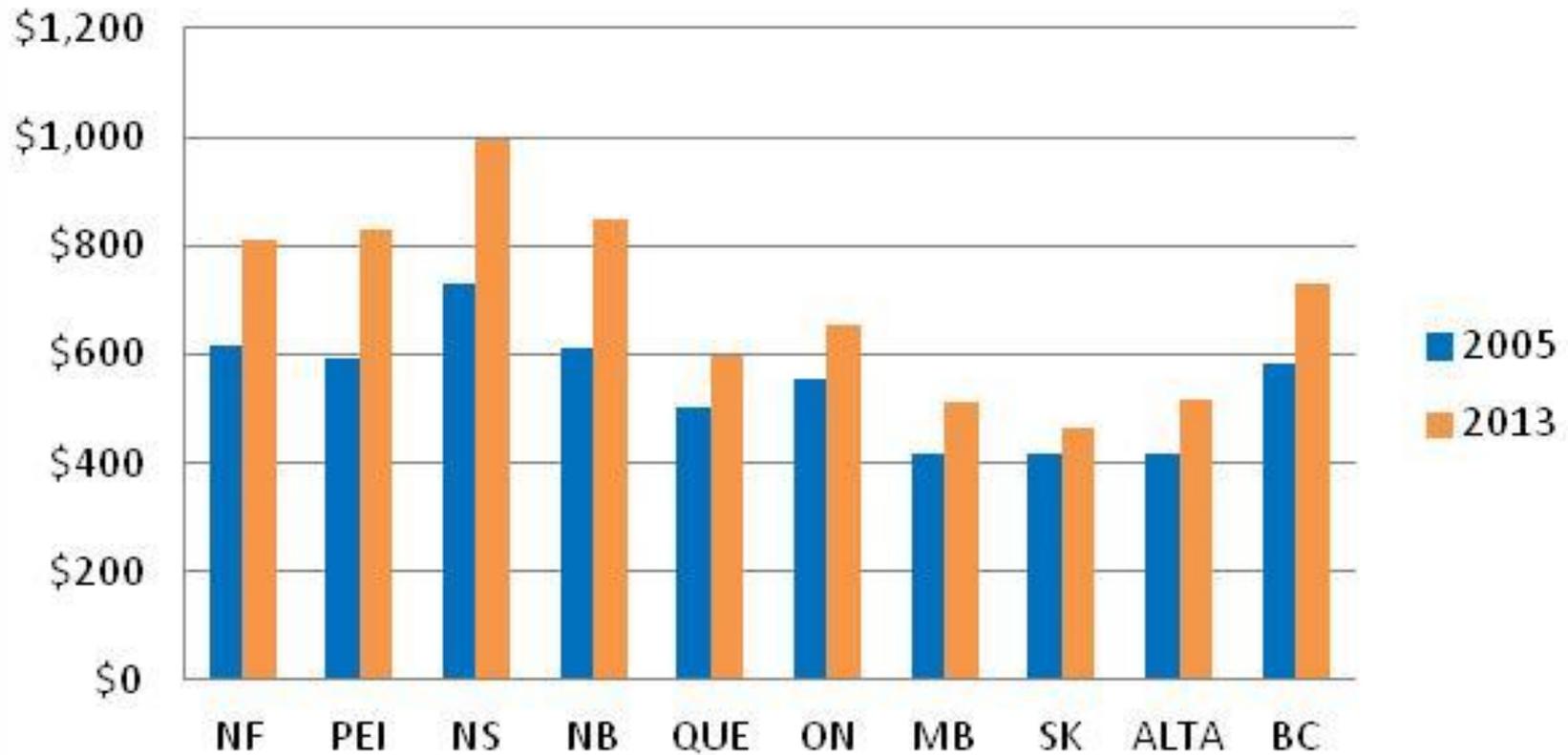


THE PER CAPITA STORY..... BY PROGRAM

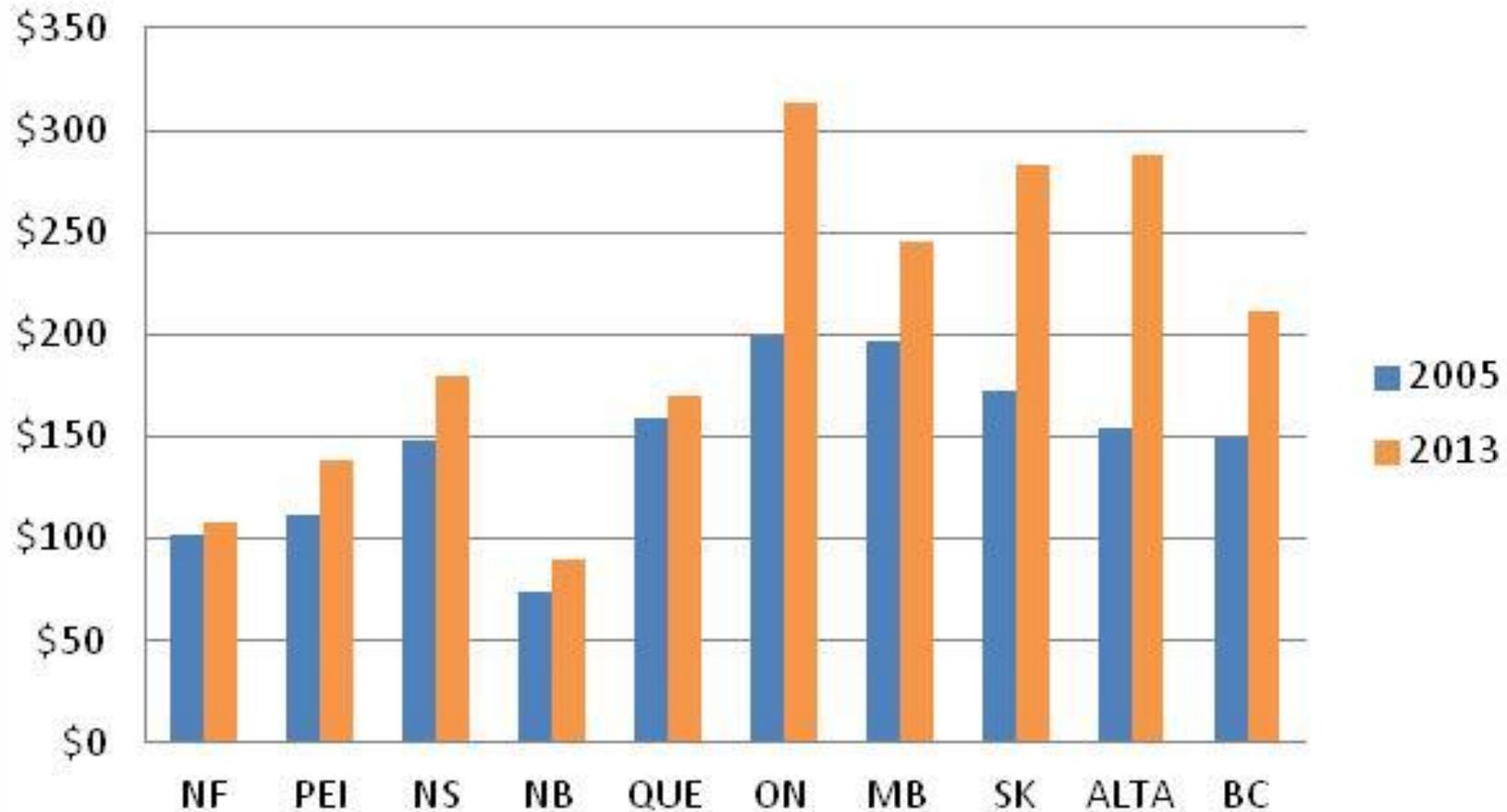
Total Assistance for Persons with Disabilities Per Capita, 2005 and 2013



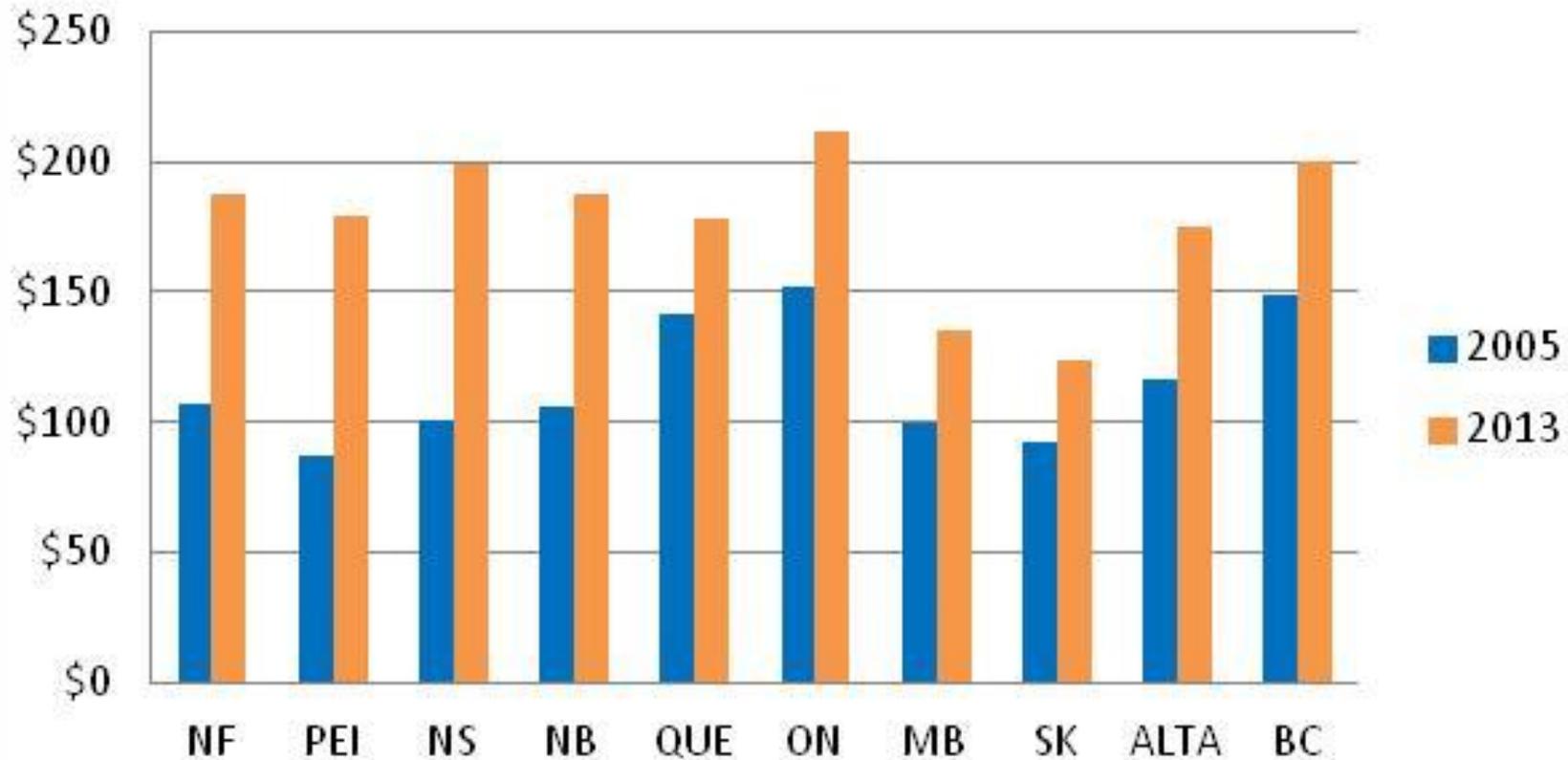
Total Asst. for Persons with Disabilities *excluding* Income Assistance, Per Capita, 2005 and 2013



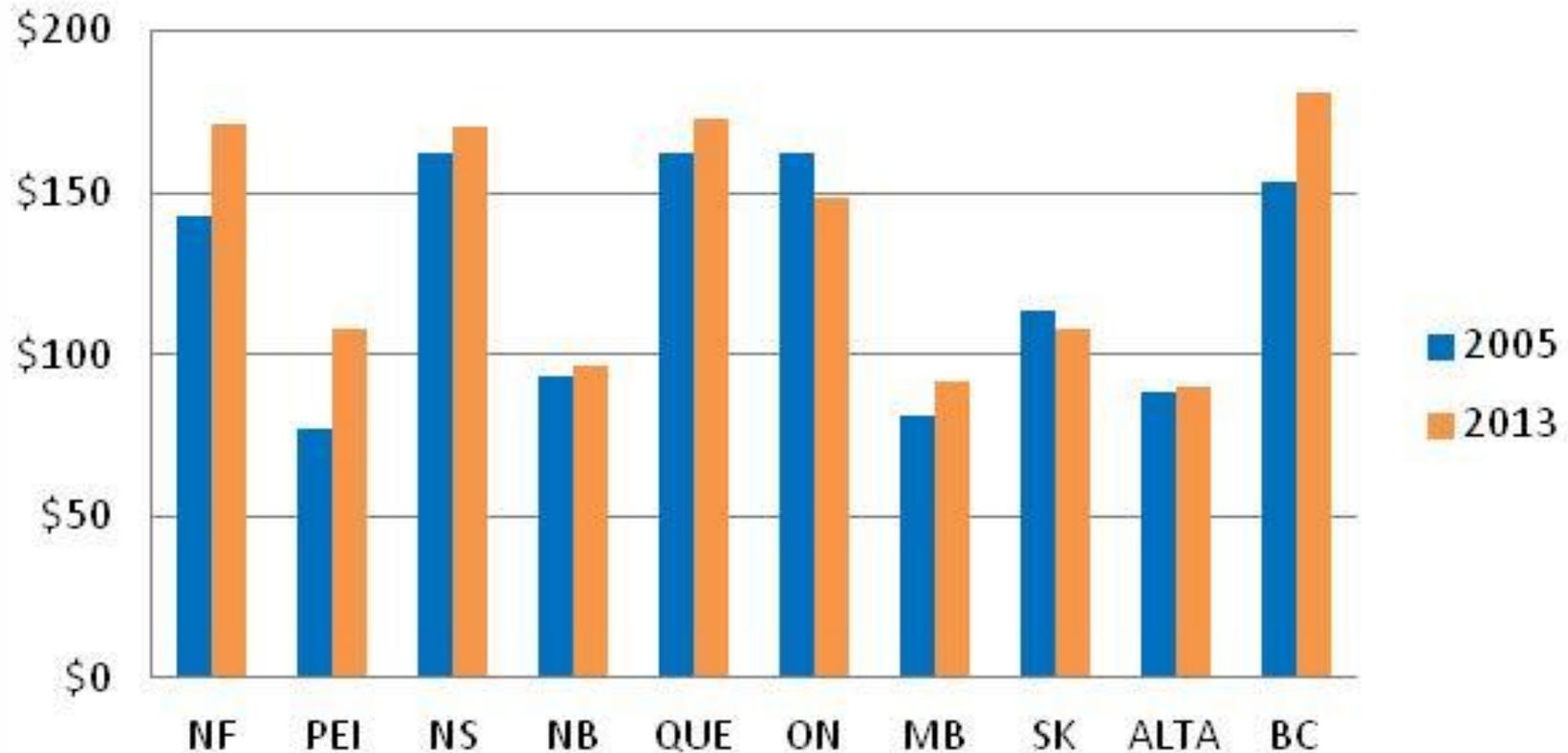
Income Asst. for Persons with Disabilities Per Capita, 2005 and 2013



Private Disability Insurance Per Capita, 2005 and 2013



Workers' Compensation Per Capita, 2005 and 2013

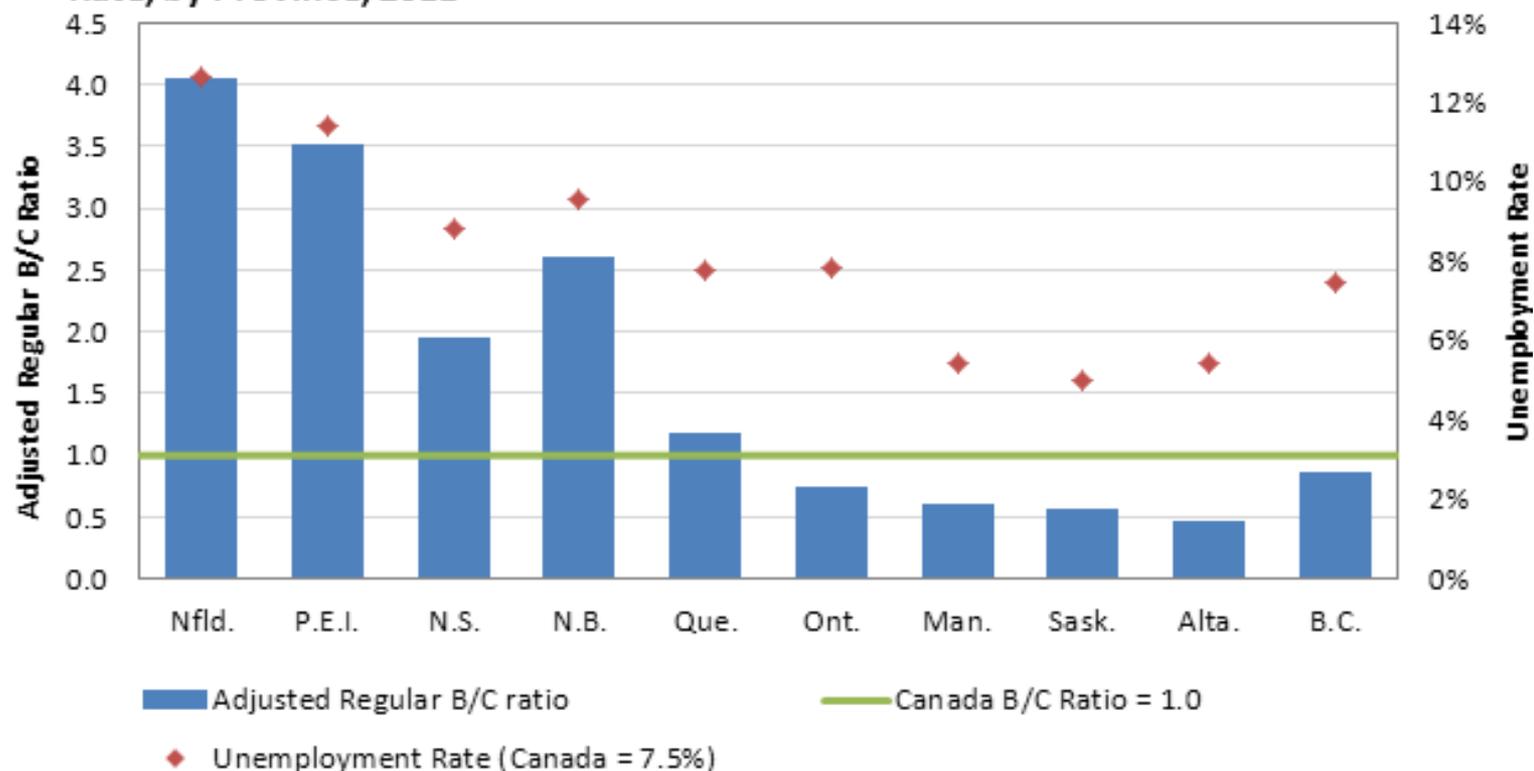


Employment Insurance

- ▶ Benefits to Contribution
- ▶ EI ratio to employed by province
- ▶ EI payments per capita by province
- ▶ EI sickness payments per capita by province

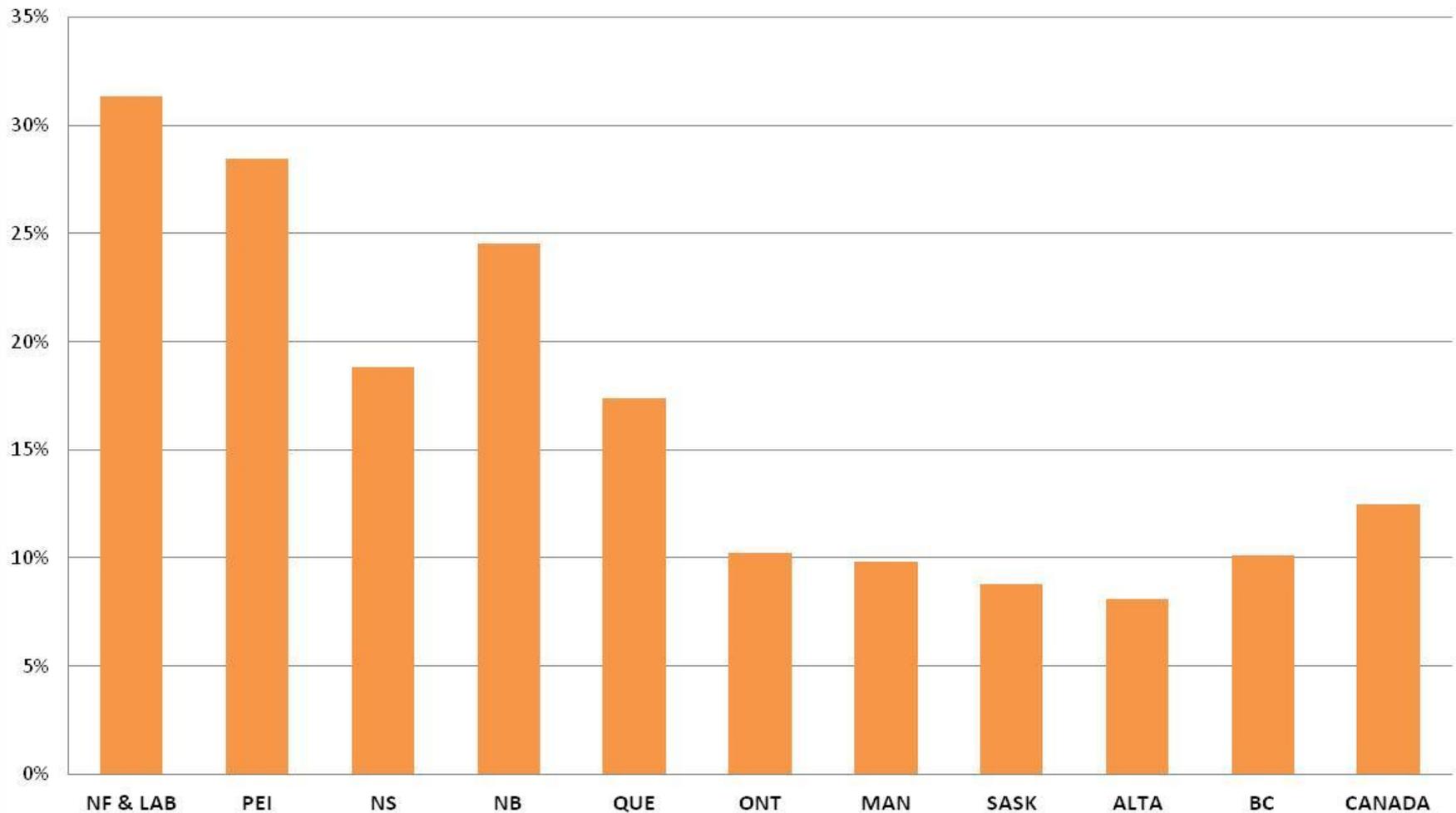
CHART 30

Adjusted Regular Benefits-to-Contributions (B/C) Ratio and Unemployment Rate, by Province, 2011



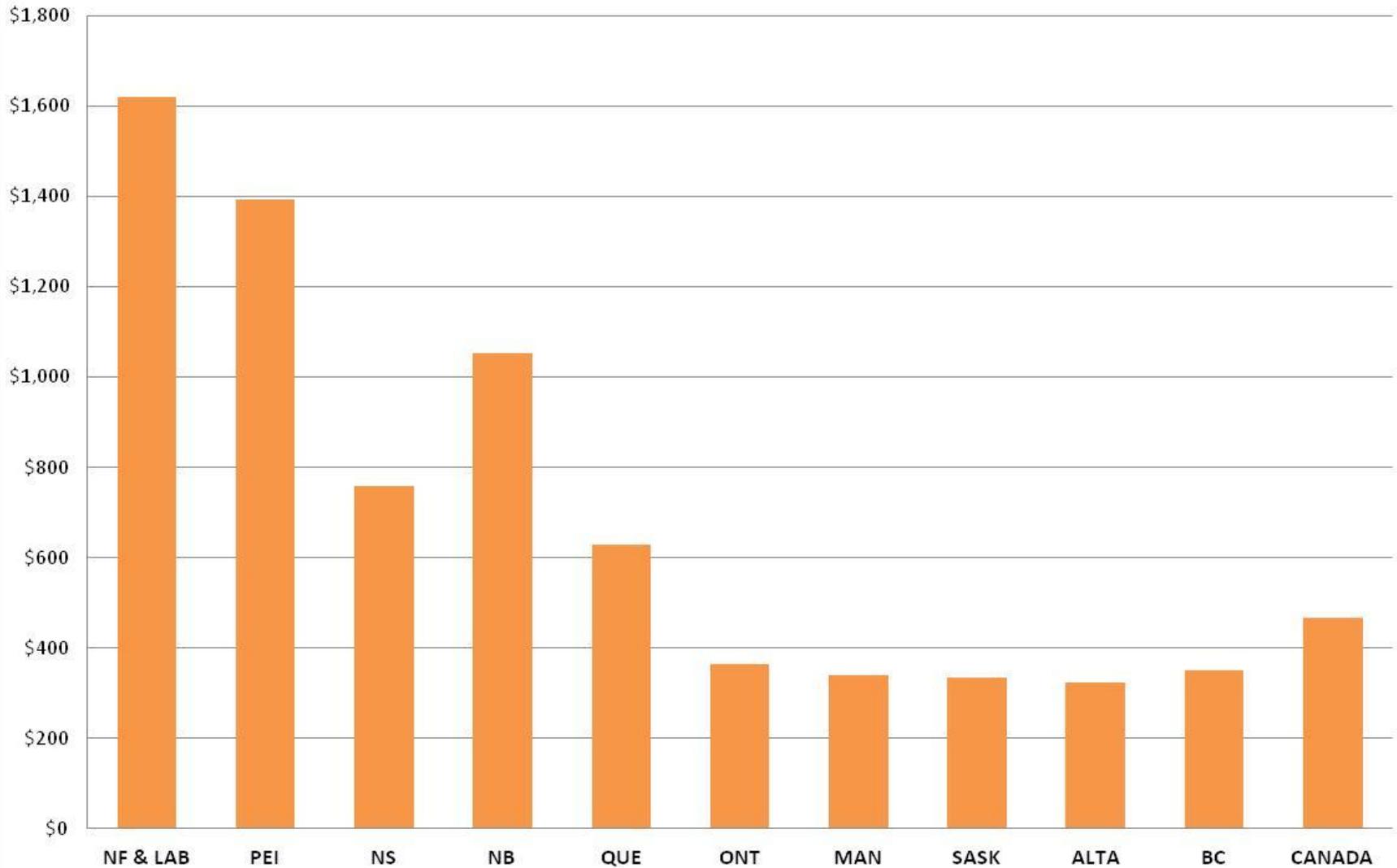
Sources: Canada Revenue Agency, 2011 T-4s with employment income; EI administrative data; and Statistics Canada, Labour Force Survey.

Ratio of EI Income Recipients to Employment Income Earners by Province and for Canada, 2013



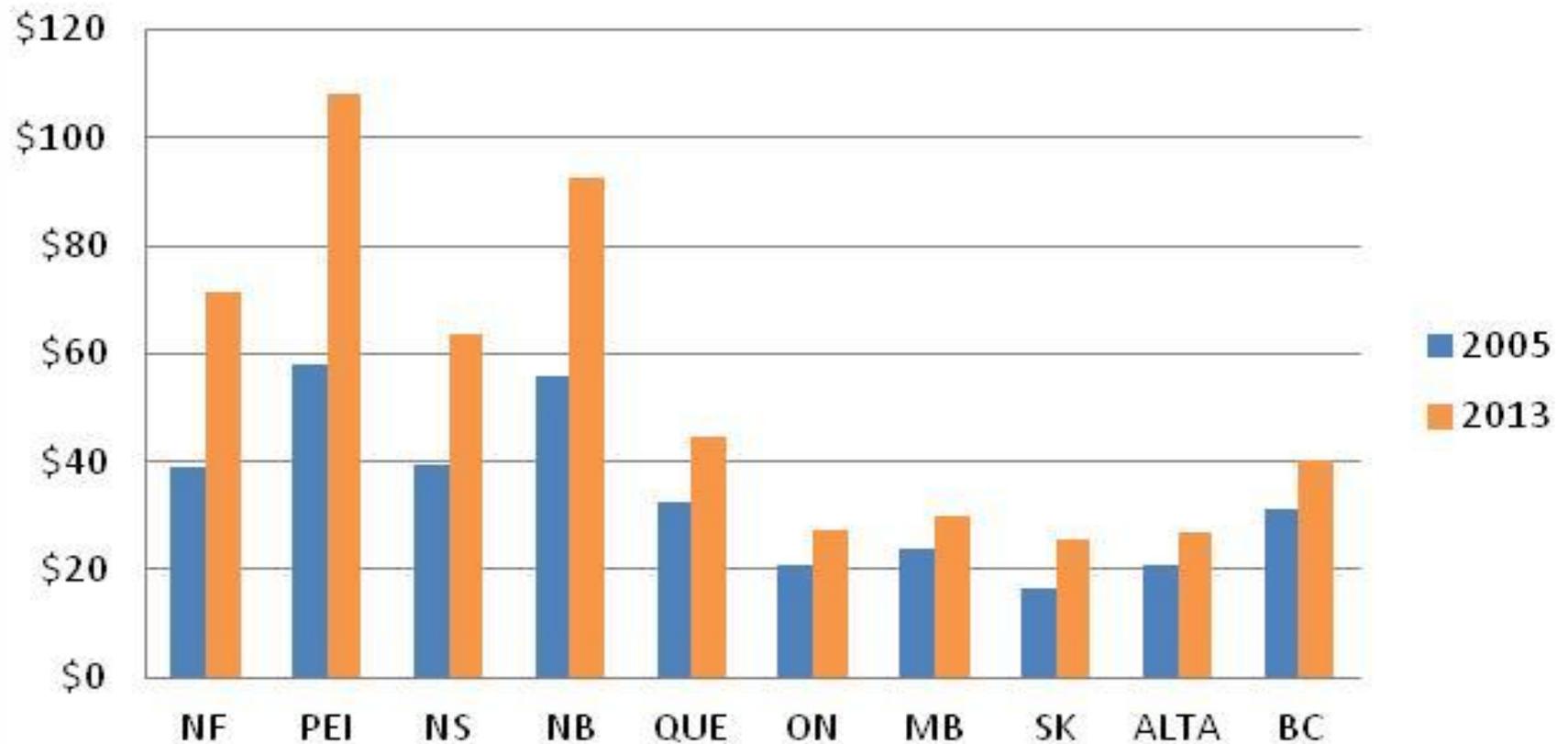
Source: Statistics Canada, CANSIM Table 111-0007

EI Payments Per Capita, by Province and for Canada, 2013

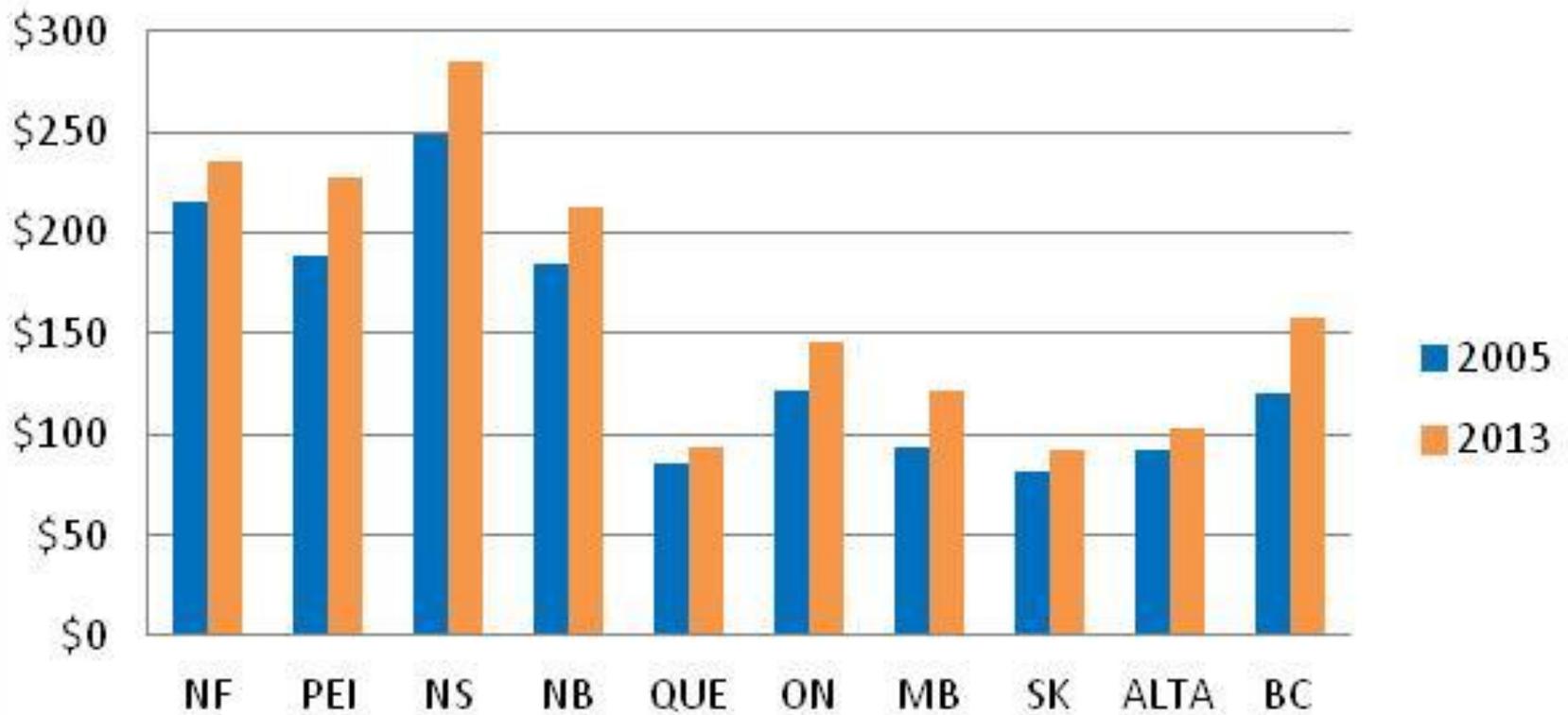


Source: Statistics Canada, CANSIM Table 111-0007

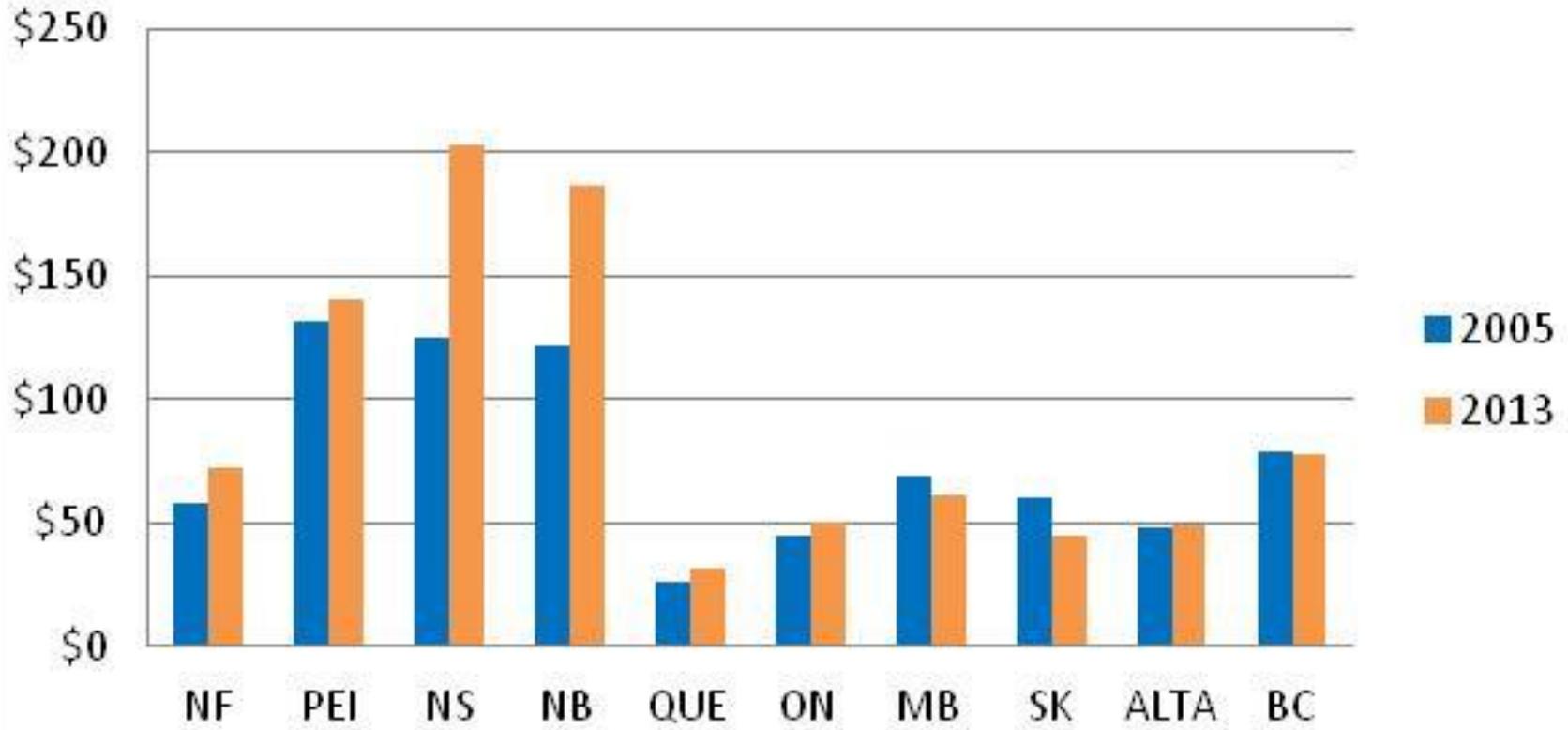
EI Sickness Per Capita, 2005 and 2013



CPP Disability Per Capita, 2005 and 2013



Veterans' Pensions & Awards Per Capita, 2005 and 2013



Welfareization

THE STORY OF SOCIAL (INCOME) ASSISTANCE GROWTH

The Story of social (income) assistance Growth

But there are at least 14 answers for an increasing social assistance share among disability income systems. In brief, they are:

- ▶ Workforce changes whereby persons with disabilities and others do not have tenured salary and wage jobs that would trigger disability benefits
- ▶ Reductions in some of the other 8 disability income systems leaving social assistance with more to do
- ▶ Embedded rules that do not support work in older disability income systems (like CPPD)
- ▶ Changes in medical treatment and especially advances in medicine and trauma treatment
- ▶ Aging of the population
- ▶ Inclusion of mood disorders and neuroses as disabilities

The Story of social (income) assistance Growth

- ▶ the supposed existence of a 'disability culture' where people choose disability benefits over employment
- ▶ existence of separate social assistance disability programs and large differences in benefit levels between them and general social assistance
- ▶ reductions in OAS and GIS for immigrant seniors
- ▶ post-economic crash unemployment among persons with disabilities and continuing economic stagnation
- ▶ lack of knowledge about disability income systems other than social assistance
- ▶ post-recession differences in employment patterns and benefits
- ▶ differing financial incentives among programs to bring people with disabilities back to work
- ▶ Barriers to work in general

The Story of social (income) assistance Growth

In addition, there appear to be six major reasons for the differences among provinces:

- ▶ Huge differences in EI coverage that reduces number of persons going on social assistance in eastern provinces. As regular social assistance is often a precursor to application for disability benefits, more robust regular EI appears to reduce social assistance overall.
- ▶ Social assistance disability programs that are smaller, less generous, and not separate in eastern provinces
- ▶ Smaller Social Assistance based Disability components for First Nations in Eastern Provinces
- ▶ A greater portion of persons with disabilities in the mainstream (wage and salary) work forces in eastern provinces
- ▶ A greater presence of interventions by other disability systems in eastern provinces; and
- ▶ Fewer persons with disabilities that are ineligible for (or eligible for reduced benefits for) Old Age Security at age 65 in eastern provinces.

Conclusions

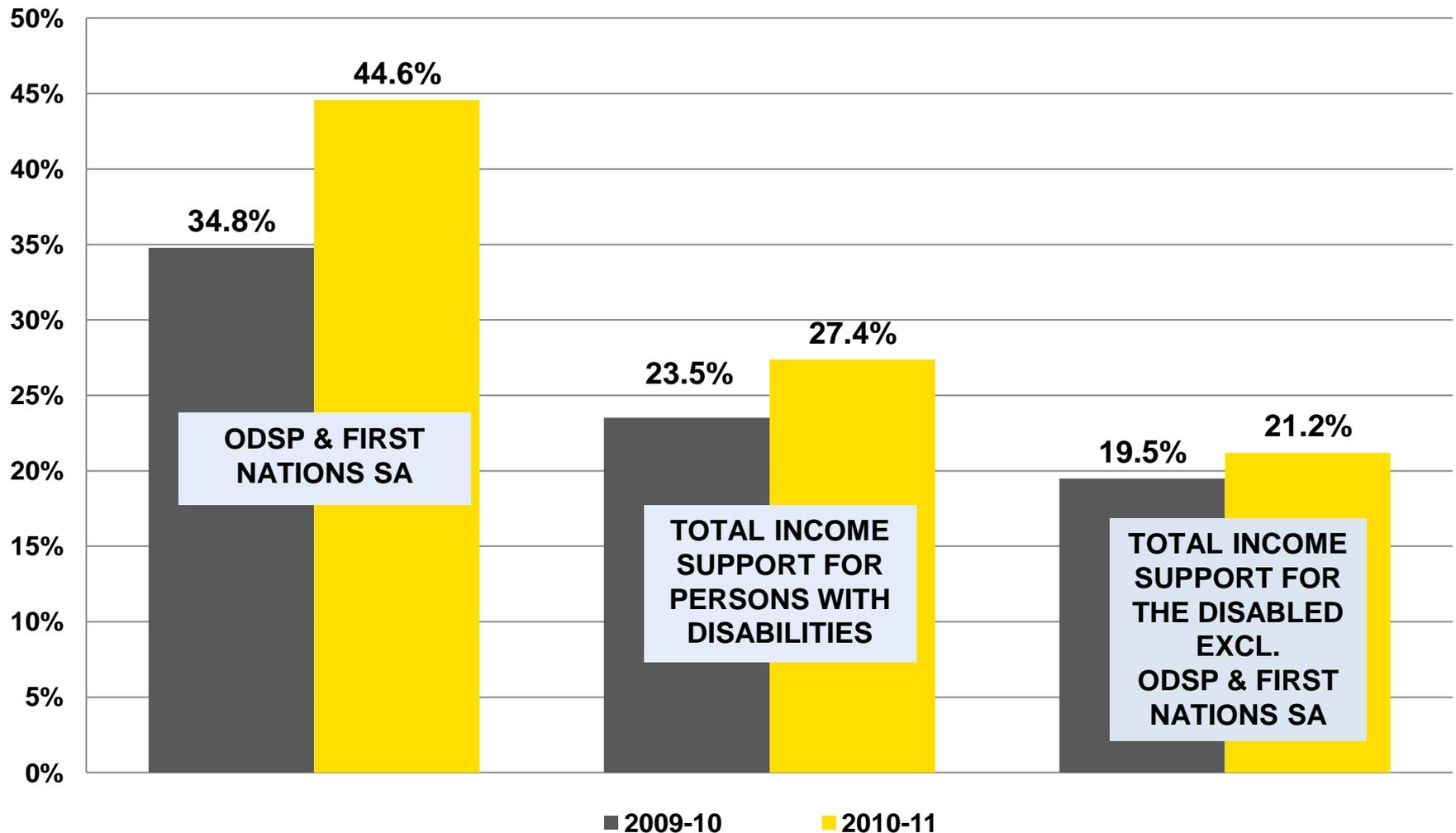
- ▶ Shift of coverage and responsibility from employee-based disability income programs to the public purse in the form of social assistance
- ▶ Given the complexity of disability income systems it is clear that they cannot be understood in isolation to each other
- ▶ Programs have widely varying purposes

Conclusions

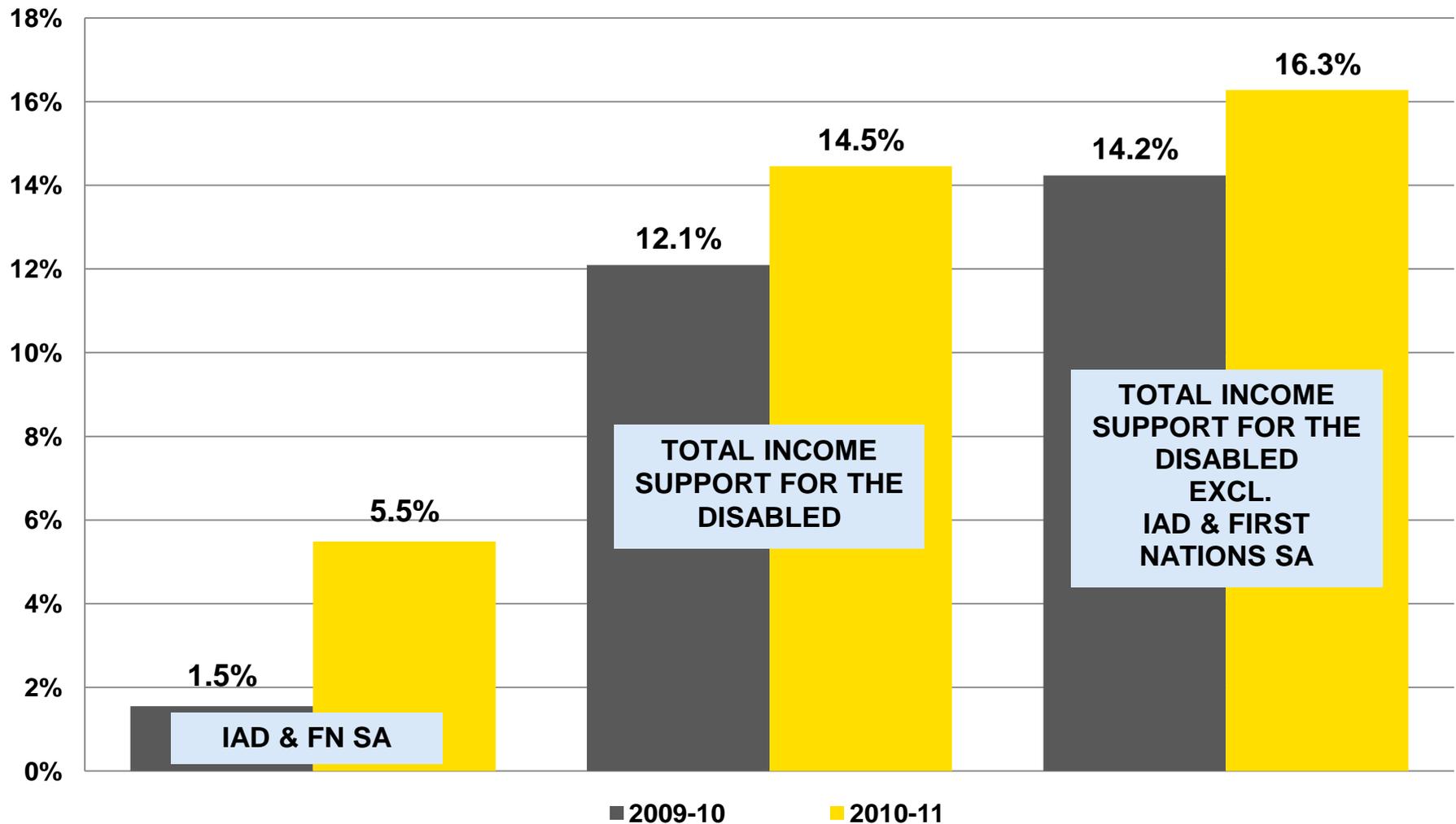
- ▶ Disability income programs vary widely on the issue of workforce participation
- ▶ Social assistance, as a system that encourages work, is often stymied by other disability income systems
- ▶ Social (income) assistance growth based on many factors but labour market change very important
- ▶ Changing Social (income) assistance criteria won't reduce costs or numbers as reasons for growth largely extraneous to Social (income) assistance

Thank
YOU!

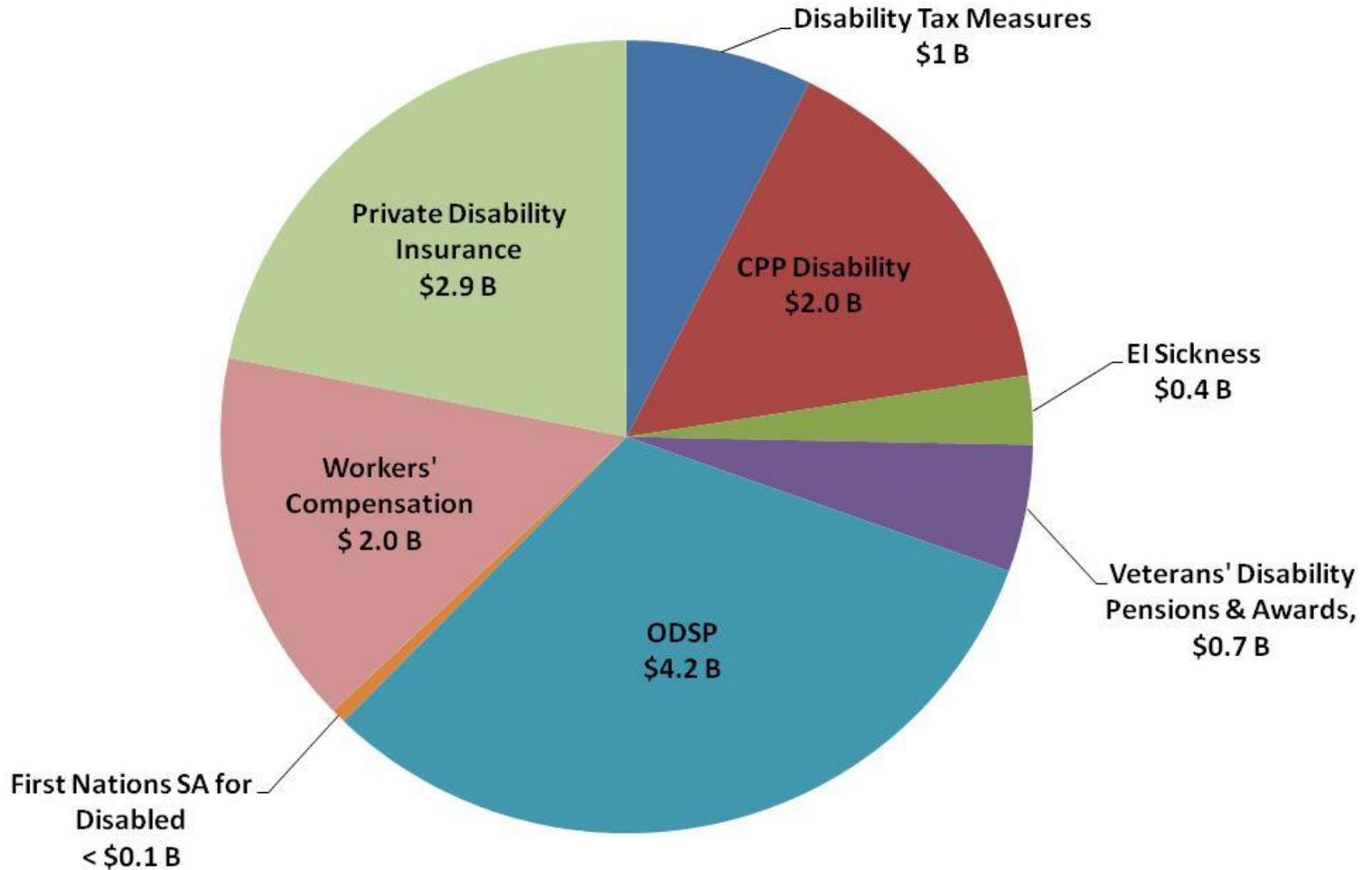
INCOME SUPPORT FOR PERSONS WITH DISABILITIES: PERCENTAGE INCREASE FROM 2005-06 TO 2009-10 AND 2010-11 ONTARIO



INCOME SUPPORT FOR THE DISABLED: PERCENTAGE INCREASE FROM 2005-06 TO 2009-10 AND 2010-11 NOVA SCOTIA

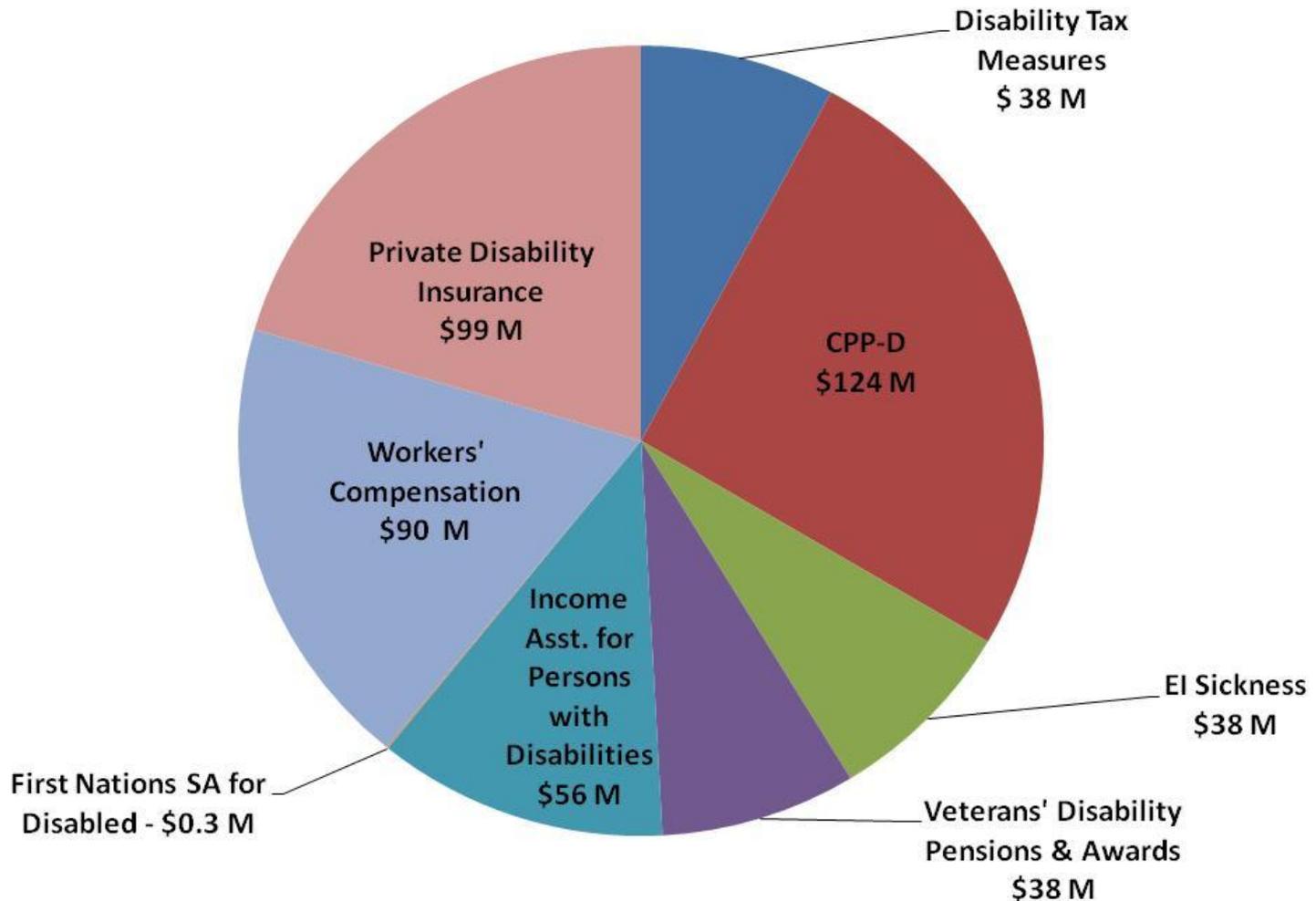


**ESTIMATED BENEFIT EXPENDITURES FOR PERSONS WITH DISABILITIES
ONTARIO 2013
\$13.1 B**



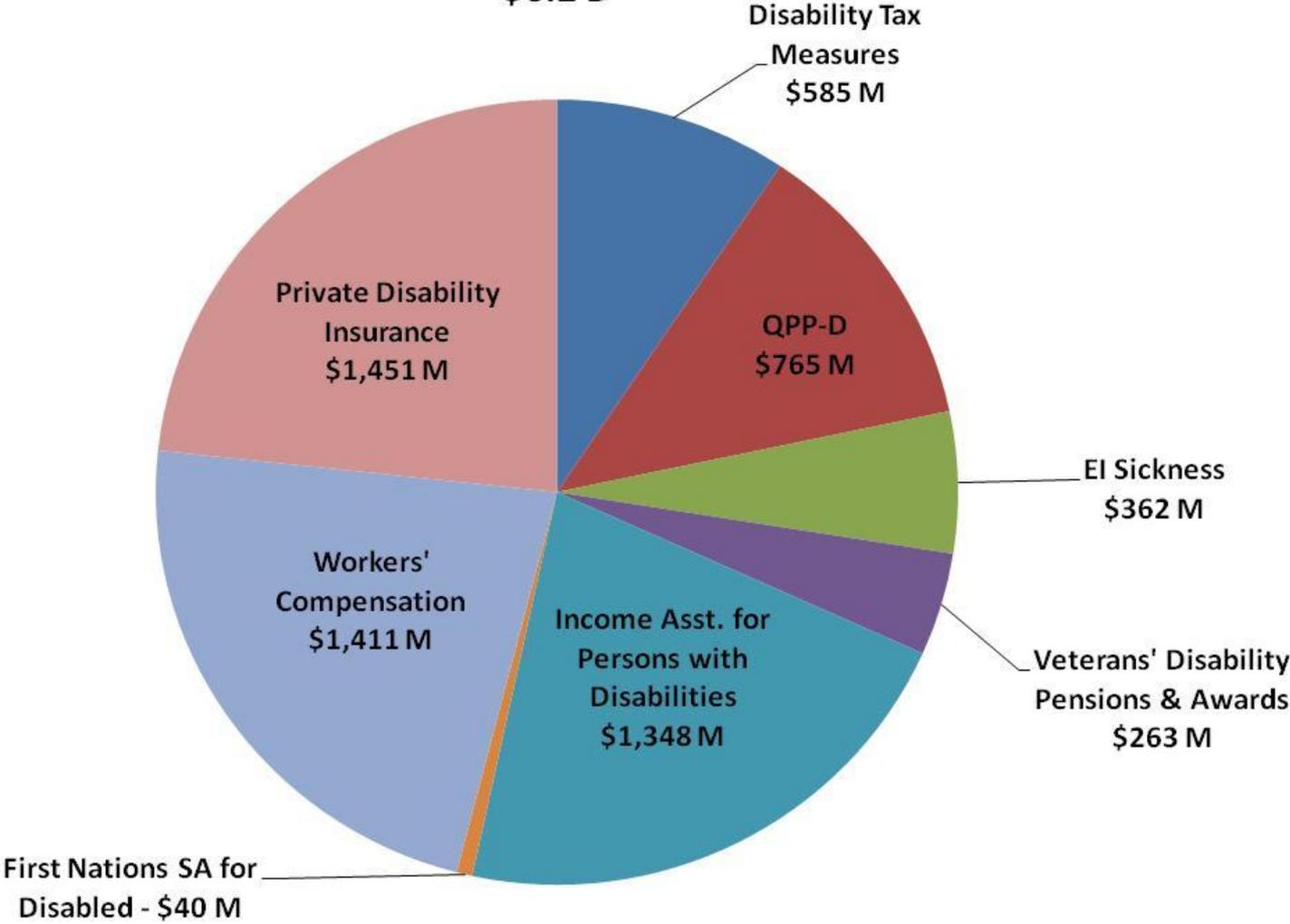
ESTIMATED BENEFIT EXPENDITURES FOR PERSONS WITH DISABILITIES NEWFOUNDLAND AND LABRADOR 2013

\$484 M



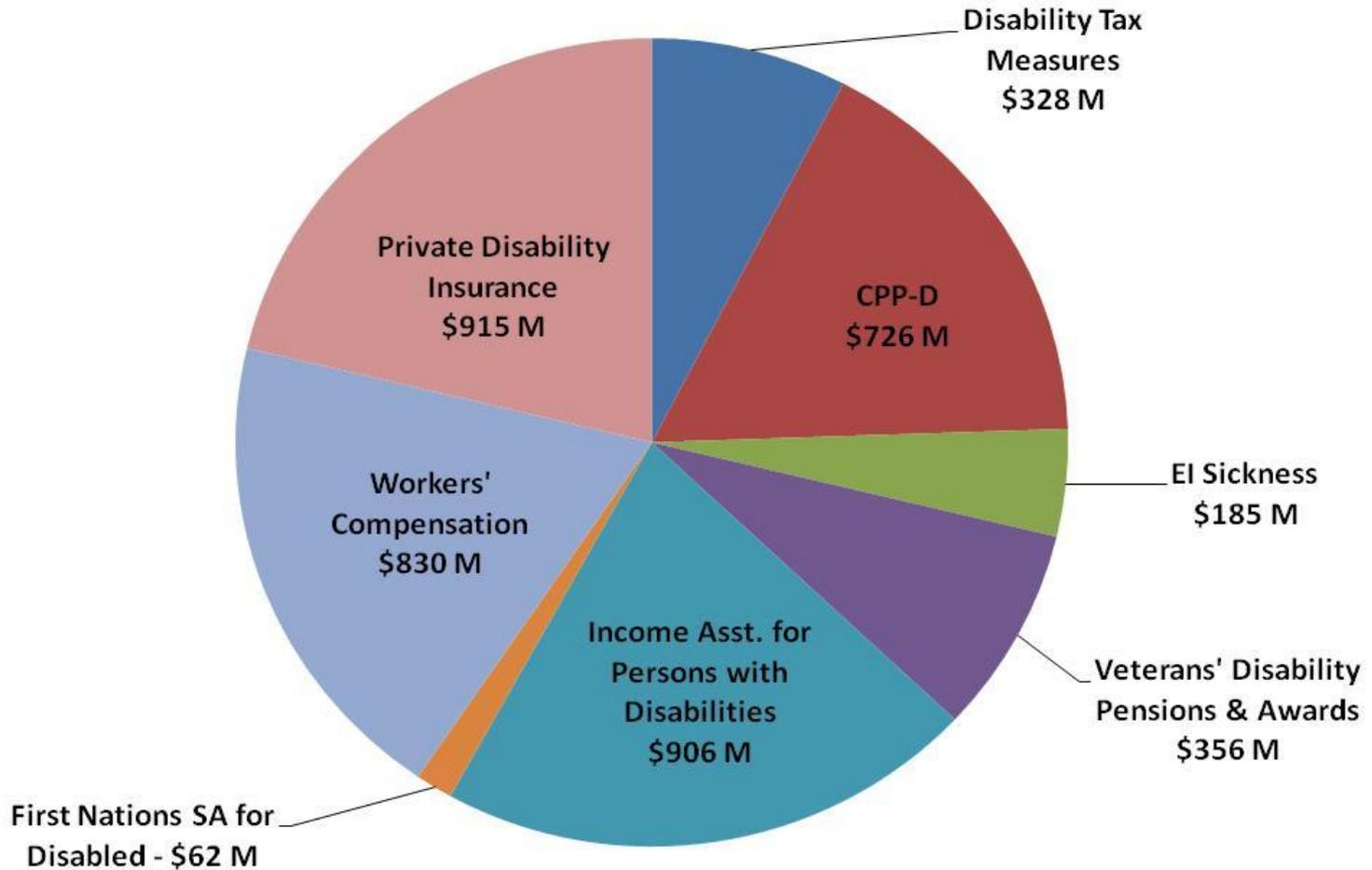
ESTIMATED EXPENDITURES FOR PERSONS WITH DISABILITIES QUEBEC 2013

\$6.2 B

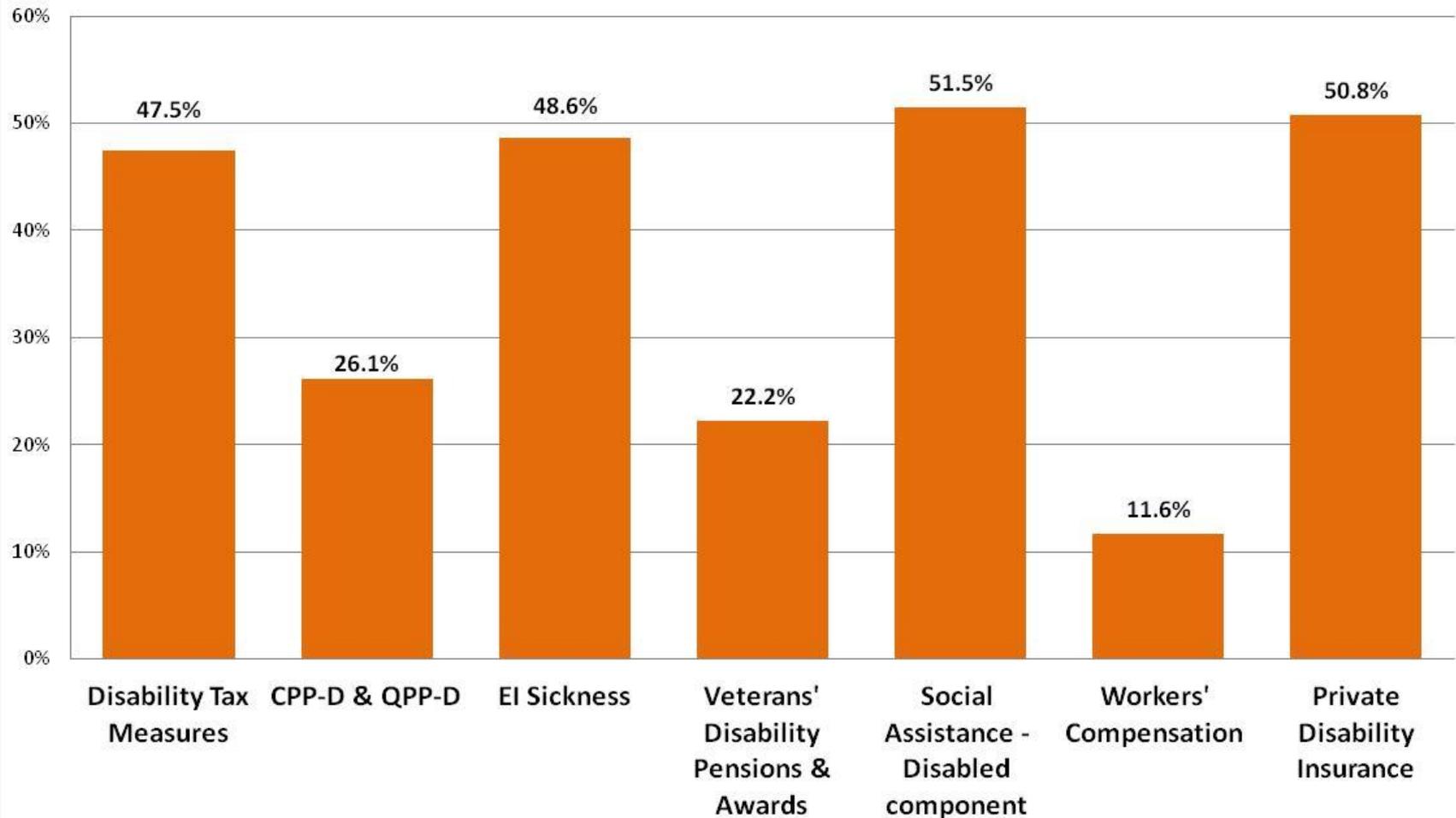


ESTIMATED BENEFIT EXPENDITURES FOR PERSONS WITH DISABILITIES BRITISH COLUMBIA 2013

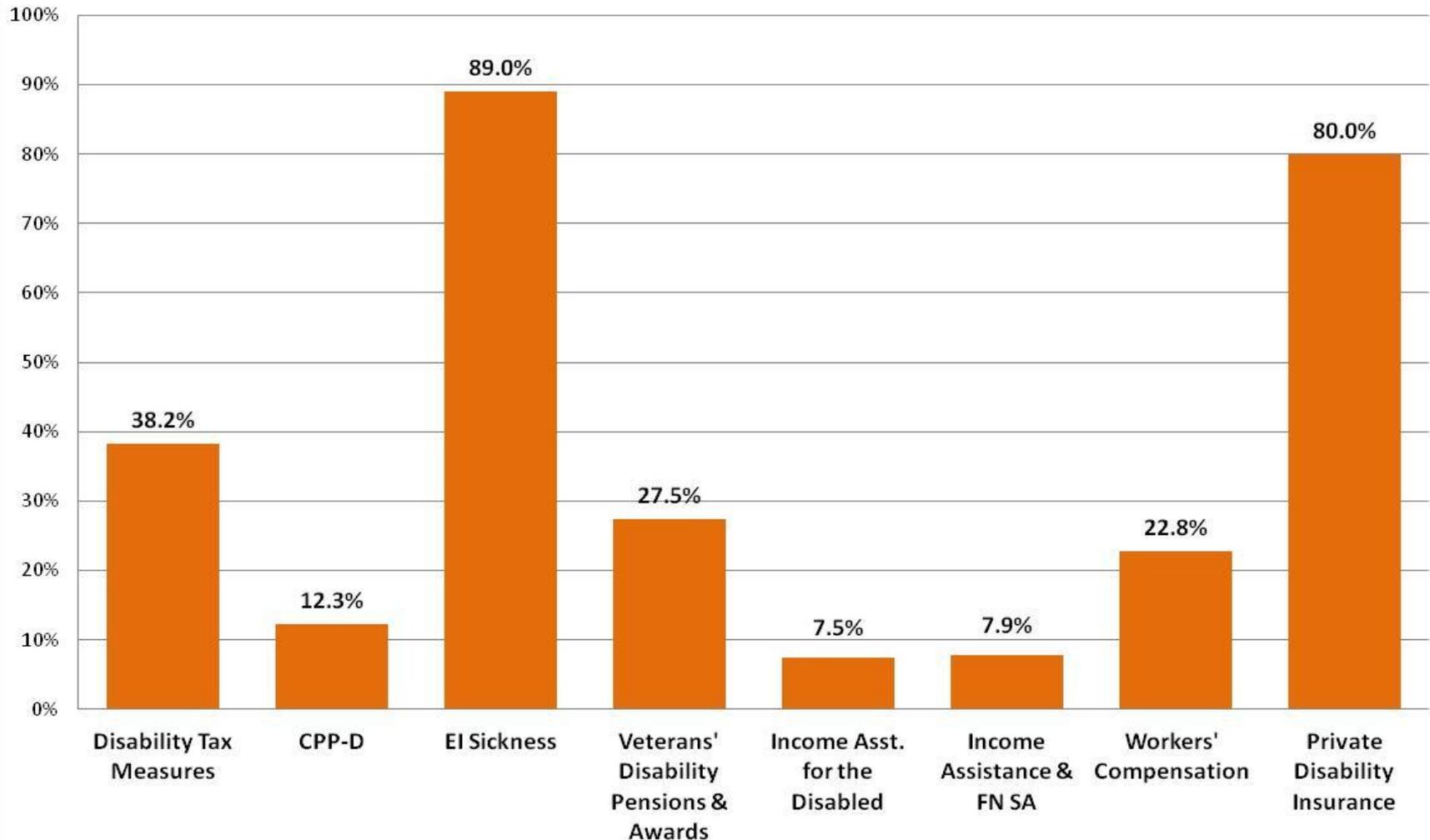
\$4.3 B



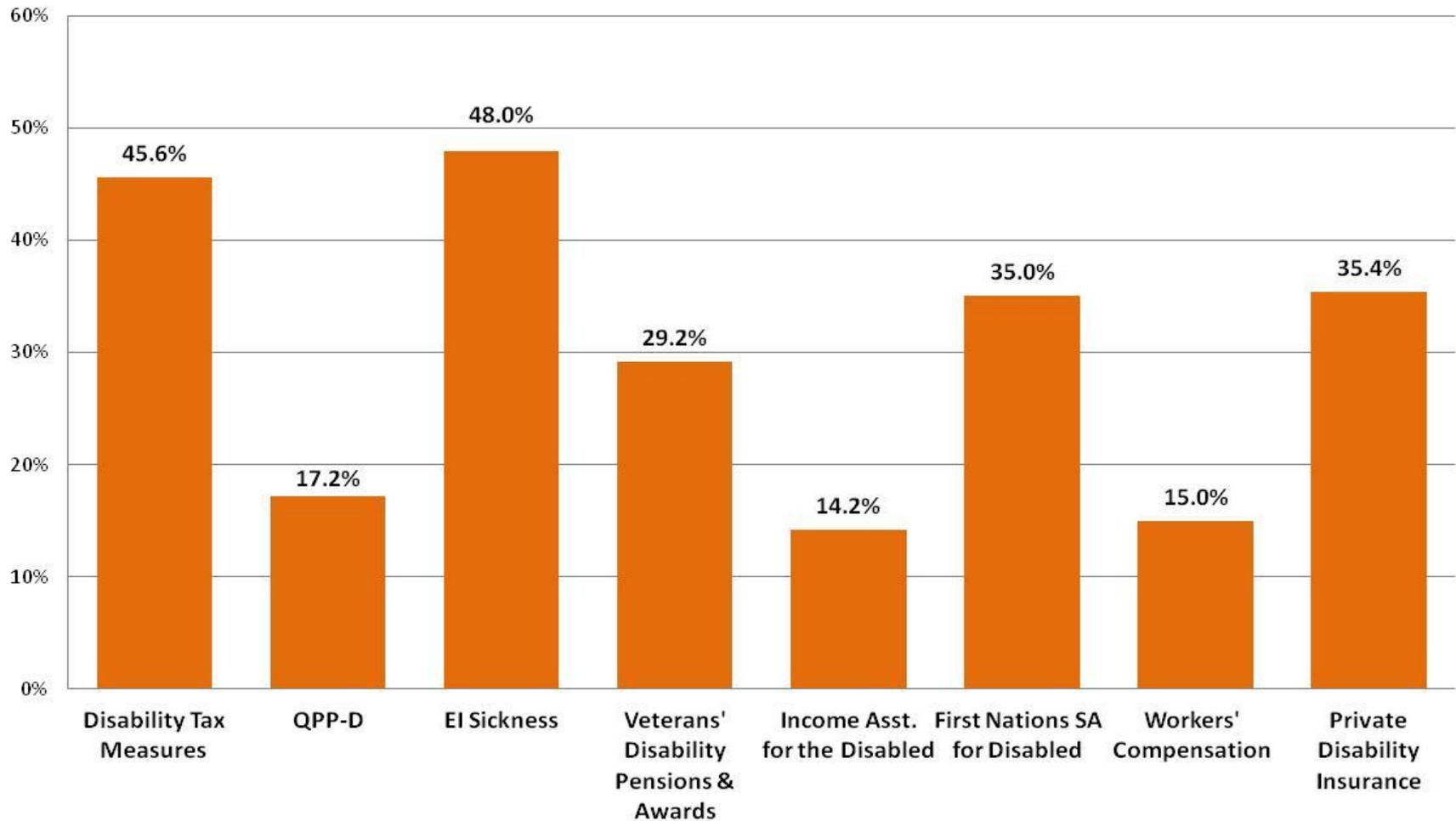
**INCOME SUPPORT FOR PERSONS WITH DISABILITIES BY PROGRAM:
PERCENTAGE CHANGE IN ESTIMATED EXPENDITURES
2005 TO 2013
CANADA**



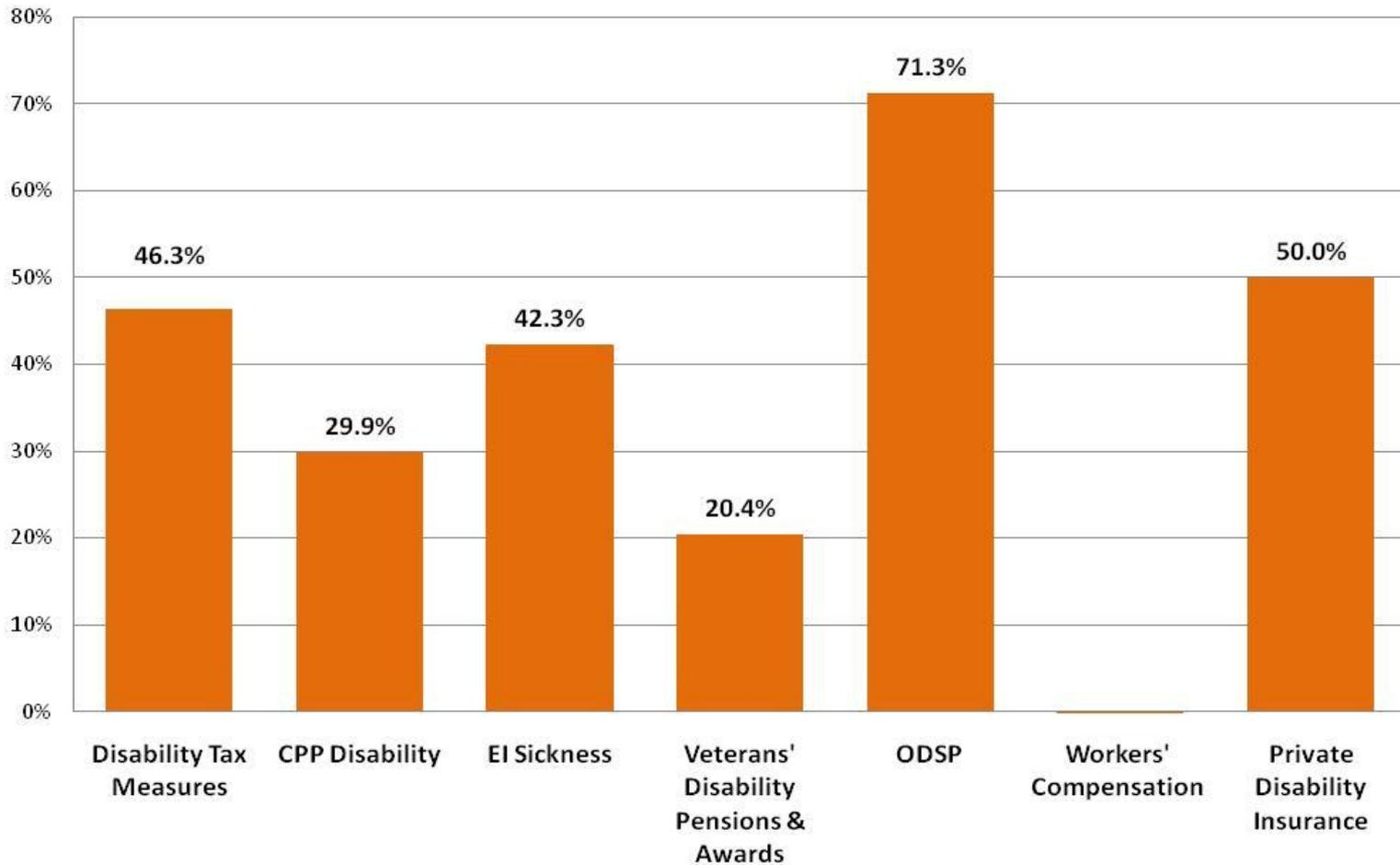
INCOME SUPPORT FOR PERSONS WITH DISABILITIES BY PROGRAM: PERCENTAGE CHANGE IN EXPENDITURES FROM 2005 TO 2013 NEWFOUNDLAND AND LABRADOR



INCOME SUPPORT FOR PERSONS WITH DISABILITIES BY PROGRAM: PERCENTAGE CHANGE IN EXPENDITURES FROM 2005 TO 2013 QUEBEC



INCOME SUPPORT FOR PERSONS WITH DISABILITIES BY PROGRAM: PERCENTAGE CHANGE IN EXPENDITURES FROM 2005 TO 2013 ONTARIO



INCOME SUPPORT FOR PERSONS WITH DISABILITIES BY PROGRAM: PERCENTAGE CHANGE IN EXPENDITURES FROM 2005 TO 2013 BRITISH COLUMBIA

