



INCOME SECURITY ADVOCACY CENTRE
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Introductory Remarks to the Standing Committee on Social Affairs, Science and Technology regarding *Bill C-12, An Act to amend the Old Age Security Act (Guaranteed Income Supplement)*

Friday, February 25, 2022

My name is Devorah Kobluk, and I am Senior Policy Analyst at the Income Security Advocacy Centre (ISAC). ISAC is a specialty legal clinic funded by Legal Aid Ontario. Our mandate is to advance the rights and interests of low-income Ontarians with respect to income security and employment. We carry out our mandate through test case litigation, policy advocacy, community development and public education.

Thank you for the opportunity to speak to Bill C-12. Throughout the pandemic ISAC has monitored the impact of temporary pandemic benefits on pre-existing benefits at both the provincial and federal level. When in August 2021, we were flooded with calls in the legal clinic system from seniors who had suddenly had their Guaranteed Income Supplement (GIS) reduced or eliminated because they accessed the Canada Emergency Response Benefit (CERB) in 2020, this was yet another instance of low-income people in Canada experiencing unintended consequences after accessing pandemic benefits.

The seniors impacted by the loss or reduction of GIS are some of the poorest seniors in Canada. They supplement their below poverty GIS income with part-time work to make ends meet. At an age when one hopes to not have to work, these seniors work. During the pandemic, they have accessed CERB, the Canada Recovery Benefit (CRB) and other pandemic-related temporary benefits because of job loss and, as a high-risk population, to isolate and stay safe. They were not informed of possible consequences to their GIS. At the end of July 2021, affected seniors lost up to \$600 of their monthly income, sometimes more and with no warning. Further, a threat to GIS could disproportionately impact women, older seniors, Indigenous and racialized seniors.^{i,ii}

ISAC first wrote to Minister Qualtrough in August 2021 as soon as we were alerted to the issue; then, in October we wrote an Open Letter to Minister Qualtrough signed by over 100 anti-poverty and community organizations, and a letter to Minister Khara after she was appointed as Minister of Seniors. In November we wrote to every Ontario Member of Parliament; in December, we wrote a letter to Minister Freeland following the Economic and Fiscal Update; and, in January 2022, we again wrote to Minister Khara. At every step of our advocacy, we have asked that seniors have their GIS returned quickly, and that CERB, and other pandemic benefits be excluded from the calculation of GIS and other income-determined seniors' benefits.

The government knew of these interactions as early as May 2020.ⁱⁱⁱ When I spoke at the House of Commons Standing Committee on Finance in December 2021 on Bill C-2's lack of support for impacted seniors, I argued against clawing back the GIS –



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a poverty reduction tool — particularly during the exceptional years of a pandemic. At that point the confusion and panic for low-income seniors had been occurring for over four months. We are now in month seven of this crisis and by the time seniors receive their one-time payments it will be month nine. With every day, the situation for these seniors is more and more desperate. It is a situation that should never have happened and must never happen again. Bill C-12 corrects this wrong.

Among those impacted was a 68-year-old senior in Ottawa who reached out to the legal clinic system. She worked as a self-employed dog walker prior to the pandemic. The pandemic caused her small business to completely collapse. She used CERB to supplement her lost income, pay for groceries, personal protective equipment, and taxis to medical appointments. The avalanche of unintended consequences has been devastating. She was trying to survive on approximately \$650 per month. Her rent increased because her Rent-Geared-to-Income (RGI) was recalculated while she received CERB. She was at risk of homelessness, and we have heard of cases of eviction. She lost her Trillium Drug Program benefit that helped her pay for medication. We do not know if she will make it to the lump-sum payment in April. Like other seniors in her position, with every passing month it is becoming harder to pay for rent, rising food prices,^{iv} transportation, and medical supplies.

We now know that over 204,000 seniors will receive a lump-sum one-time payment starting April 19, 2022 and that Service Canada will work with Members of Parliament “to help constituents in dire need” to receive payments in March.^v We are concerned about working through MP offices and emphasize that every low-income senior who relies on GIS is in dire need^{vi} if their benefits have been reduced or lost for seven months. Seniors are urgently awaiting this money to be returned as quickly as possible.

We must now ensure that seniors are not subject to the impacts of benefit interactions like these in July 2022, or ever again. The one-time payment corrects this past year and C-12 ensures a systemic solution going forward. I therefore urge the Standing Committee on Social Affairs, Science and Technology to complete the consideration of this bill quickly, and for Senators to pass it without delay so that low-income seniors never again experience a year of lost or reduced GIS benefits as they did this year.

Thank you.

ⁱ Imbeau Edouard (January 2018). *Take-up Rate of Guaranteed Income Supplement: findings from tax and program administrative data*. Employment and Social Development Canada. Retrieved February 24, 2022, from <https://www.canada.ca/content/dam/canada/employment-social-development/services/pension/reports/take-up-rate-gis-EN.pdf>, pp. 16-18.

ⁱⁱ Block, Sheila, Grace-Edward Galabuzi, Hayden King (2021 June 16). *Colour-coded Retirement*. Canadian Centre for Policy Alternatives. Retrieved February 24, 2022 from, <https://www.policyalternatives.ca/sites/default/files/uploads/publications/National%20Office/2021/06/Colour%20coded%20retirement.pdf>, pp. 43-46.

ⁱⁱⁱ Government of Canada (2021, January 14). “Minister of Seniors HUMA appearance on Government’s response to the COVID-19 pandemic – May 15, 2020.” Retrieved February 24, 2022, from



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<https://www.canada.ca/en/employment-social-development/corporate/reports/committe-binders/huma-may15-seniors.html#h2.1>

^{iv} In 2021 in Ontario, because of increased food insecurity, there was a 36% increase in the proportion of senior citizens accessing food banks compared to 2020. See King, Amanda and Ashley Quan (2021). *Hunger Report 2021: How the Pandemic Accelerated the Income and Affordability Crisis in Ontario*. Retrieved February 24, 2021 from <https://feedontario.ca/wp-content/uploads/2021/11/Hunger-Report-2021-Digital.pdf>, p. 5.

^v Government of Canada, “Government of Canada proposing to provide one-time payment to support low-income seniors who received pandemic benefits,” news release, December 17, 2021. Retrieved February 24, 2021, from <https://www.canada.ca/en/employment-social-development/news/2021/12/government-of-canada-proposing-to-provide-one-time-payment-to-support-low-income-seniors-who-received-pandemic-benefits.html>.

^{vi} Parliament of Canada, “Minister agrees to NDP demands for immediate funds to Senior,” YouTube Video, 1:20, February 14, 2022, Retrieved February 24, 2022, from <https://www.youtube.com/watch?v=ETx6ZTs3EQQ>.