

**Ontario Episodic Disabilities Network (OEDN)**  
**Addressing Episodic Disabilities in Ontario**  
Contribution to the Pre-Budget Consultations 2011  
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**The OEDN is pleased to present its pre-budget submission to members of the Standing Committee on Finance and Economic Affairs for consideration to the 2011 budget.**

### **RECOMMENDATIONS**

The Government of Ontario should create incentives and reduce barriers to increase the labour force participation of people living with episodic disabilities. The Government of Ontario should:

- Continue to implement the accessibility standards under the Accessibility for Ontarians with Disabilities Act and to take up the recommendations listed by the Charles Beer review in harmonizing the standards before they are regulated.
- Convene a task force of employers, government (e.g. policy makers, Ontario Disability Support Program (ODSP) representatives, etc.), insurers (e.g. employer group benefit insurers, individual private insurers), people living with episodic disability and episodic disability representatives to develop and test work place policies and income employment supports to help reduce barriers to employment for people living with episodic disabilities.
- Commit additional research funding aimed at uncovering and addressing the unique and considerable barriers to employment and income support specific to people with episodic disabilities.

### **NEXT STEPS**

In conclusion we suggest that the above recommendations be part of the social assistance review, recommended by the Social Assistance Review Advisory Council (SARAC). The province urgently requires a more effective system of income security programs that meet the needs of Ontarians with episodic disabilities in a rapidly shifting economy.

## **EXECUTIVE SUMMARY**

An increasing number of Ontarians are living with lifelong episodic disabilities, including arthritis, Crohn's disease, diabetes, hepatitis C, HIV, multiple sclerosis, and some forms of cancer and mental illness. Living with episodic disabilities and chronic medical conditions can translate into brief or extended periods of illness which can result in temporary and unpredictable periods where work may not be possible.

People with lifelong episodic disabilities face barriers to employment and require income support. Ontarians with episodic disabilities have varying capacities in which they can contribute to the Canadian economy. Many want to work to complement the disability income support they receive when they cannot work. However, current policies and legislation create disincentives to labour force participation for people with episodic disabilities who are capable of participating in the labour force intermittently or part time when their health permits.

The Ontario Episodic Disabilities Network (OEDN) provides a forum that enables the coordination of episodic disability initiatives in Ontario. The OEDN brings together a wide range of key stakeholders to collaborate on research, advance public policy and promote broad integration to strengthen episodic disabilities activities in the province. The overall goal is to increase the engagement and capacity of Ontario to improve the quality of life and promote the inclusion of Ontarians living with episodic disabilities. People living with episodic disabilities have a right to participate fully and equally in all aspects of Canadian society. An adequate income is an integral part of full participation.

## **A SNAPSHOT OF EPISODIC DISABILITY**

Increasing numbers of Canadians are living with lifelong episodic disabilities. Social Development Canada (SDC)<sup>1</sup> stated in its November 2003 report that “recurrent and episodic disabilities are becoming more prevalent in Canadian society.”<sup>2</sup> People with lifelong episodic disabilities face barriers to employment and income support while having a partial capacity to work. A recent study by Human Resources and Skills Development Canada<sup>1</sup> noted that:

- According to the Participation and Activity Limitation Survey (PALS) 2006, 46.4% or 1,140,500 of the adult population with disabilities reported at least one of the 27 conditions associated with “episodic” disability. Among those individuals, 49.9% indicated that they were “often” or “sometimes” limited in the workplace.<sup>ii</sup>
- Among the adult population with disabilities who indicated that they were “often” or “sometimes” limited at work or at school:
  - More than one third (35.8%) of persons with disabilities who report being “often” limited at work or at school and 26.4% of persons with disabilities who report being “sometimes” limited live in a household where the income in 2005 was less than \$35,423 (the lowest of the quintiles).
  - With respect to intermittent labour force attachment, there were 268,200 or 19.4% of adults with disabilities who had employment in the 12 months previous to the PALS 2006 interview who reported some breaks in their employment.

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<sup>1</sup> In December 2003, HRDC divided into two departments: Human Resources & Skills Development Canada & Social Development Canada.

<sup>2</sup> Government of Canada. Government Response to ‘Listening to Canadians: A First View of the Future of the Canada Pension Plan Disability Program. The Fifth Report of the Standing Committee on Human Resources Development and the Status of Persons with Disabilities’. November 2003. p22.

## THE ISSUE

Disability income programs are critical supports for people living with disabilities at the times when they are unable to work. Many of these disability income support programs have been developed over the past 45 years and include a range of programs with specific and distinct and sometimes conflicting mandates, provided by different departments in different jurisdictions. The mishmash of services can come from one or more of eight income support programs and five areas of disability services. The eight support income programs include: Canada Pension Plan disability (CPP-D); Employment Insurance Sickness (EI sickness); Veterans' Benefits for Disability; Disability Tax Credits; Personal/Family Resources Registered Disability Savings Plan (RDSP); Provincial Social Assistance for disability; Workers' Compensation and Employers' Long Term Income Protection (LTIP). The five services areas include: Disability Supports, Caregiver Supports, Employment and Training, Social Services and Medical Services.

In 2008, government, private and quasi government bodies spent approximately \$28.2 billion dollars in direct income support benefits<sup>iii iv</sup> to individuals with disabilities without any comprehensive oversight respecting what the programs do as a whole or purport to achieve for Canadians with disabilities.<sup>v</sup> In fact, currently there is no coordinating body, commission, ministry, department or level of government to oversee and report on the: service coordination of each of the eight income support programs and five service areas; overall system of disability benefits (taken as a whole) in Canada; policy coordination among each of these benefit areas; differences in philosophies between the program areas; interaction of the programs; funding and value for money presented by these program areas; and program and policy areas taken as a whole. Accordingly, the full array of programs although they work well in various positive ways, cannot easily come together in such a way that makes the whole system accessible to all persons with disabilities.

By design, some income programs interact well and some poorly, creating major income inequities. Disability services associated with income programs are often cancelled when income programs offset each other. In this program environment, it is extremely difficult to forge a comprehensive disability income program as the programs are oriented very differently and run in isolation without any overall governance.

Also all of the eight income support programs and five service areas, depending on the how a person became disabled and the type of disability they have, either 'stack' - meaning that they all pay without deducting each other, or they interact, deduct, or 'cannibalize' each other. For example: A veteran who gets military disability, CPP, Workers' Compensation has benefits that 'stack'. Another worker who gets LTIP has LTIP that is reduced by CPP and social assistance has benefits that 'cannibalize'. At the one end of the continuum, the person with a disability gets a livable income from three sources that do not deduct each other – e.g. a person could get \$30,000 a year. At the other end, the person with a disability could get benefits from three programs but the first program reduces the second and the third leaving the person with a poverty level income – e.g. a person could get \$12,000 a year because the programs deduct each other. This happens because programs either define themselves as 'first payer' or a 'last payer'. Programs that are 'last payer' purport to pay people with disabilities who have no other resources. 'First payer' programs pay without regard to who else pays. Most disability programs compensate based on workplace attachment e.g. CPP, veterans, workers' compensation, EI sickness, Long Term Income Protection (LTIP). Only social assistance, the Registered Disability Savings Plan (RDSP) and disability tax credits do not.

Some programs insure against having a disability, meaning they do not pay when the disability is not present (i.e. asymptomatic). This is what happens most often to persons with episodic disabilities making

them particularly vulnerable to income security programs that 'compensate the disability and not the person; these programs pay based on "the biography of the disability". As currently designed, this type of compensation program addresses the needs of people with more permanent and predictable lifelong disabilities than people with lifelong and often unpredictable disabilities that are characterized by degrees of severity and episodes of illness. Creative solutions are needed to help retain existing workers with episodic disabilities who otherwise prematurely exit the labour force in order to qualify for and access needed disability supports.

## **THE UNINTENDED CONSEQUENCE: STAYING OUT OF THE LABOUR FORCE**

People living with episodic disabilities may move in and out of the labour force in an unpredictable manner. Some must leave the job without warning for indeterminate lengths of time. In fact, many people with disabilities rely on federal, provincial and private income support and replacement programs during periods when they are unable to participate fully in the workforce. For example, if a person's main source of income is a disability pension and his/her health fluctuates, disability benefits may be terminated during periods of improved health.

Cumbersome, time-consuming and complicated claim procedures may need to be repeated, and often results in the applicant being without any income for up to several months. Benefits may be difficult to reinstate when required again during periods of illness.

In fact, the experience of many people with disabilities is that these programs and policies trap them in poverty by creating barriers to staying on the job or returning to work. For people who live with episodic disabilities, this is especially true.

The Government of Ontario has done much to examine the barriers that Ontarians with disabilities. With the introduction of the five accessibility standards (customer service, information and technology, employment, transportation and the built environment) under the *Accessibility for Ontarians with Disabilities Act* in 2005, the Government of Ontario committed to make the province accessible by 2025. While there is excitement about Ontario's leadership with respect to accessibility, especially employment accessibility, there is also concern around the ability to implement the accessibility standards and provide the guidance and support needed to business and organisations, thus compromising the Government of Ontario's vision to developing an accessible Ontario.

Also provincial programs, such as the Ontario Disability Support Program, have return-to-work incentives for recipients. This is an important incentive and opportunity for recipients of disability income support to participate in the labour force. However, while there are very important features of programs that allow for intermittent earned income and return-to-work supports, the demand placed on people to navigate these various, and often confusing programs, makes program and policy coordination a fundamental requirement to ensuring income stability for all Canadians with disabilities who can work.<sup>vi</sup>

## **RECOMMENDATIONS**

In order to address current barriers and promote the financial independence and social inclusion of people living with "lifelong episodic disabilities", it is necessary to research, identify and develop policies and programs that promote overall coordination and governance among disability income support programs, create incentives and reduce barriers for increased labour force participation for people with episodic disabilities. Steps towards this end would include encouraging the Government of Ontario to:

- Continue to **implement the accessibility standards** under the Accessibility for Ontarians with Disabilities Act and to take up the recommendations listed by the Charles Beer review in harmonizing the standards before they are regulated.
- **Convene a task force** of employers, government (e.g. policy makers, Ontario Disability Support Program (ODSP) representatives, etc.), insurers (e.g. employer group benefit insurers, individual private insurers), people living with episodic disability and episodic disability representatives to develop and test work place policies and income employment supports to help reduce barriers to employment for people living with episodic disabilities.
- **Commit additional research funding aimed at uncovering and addressing the unique and considerable barriers to employment and income support specific to people with episodic disabilities.**

## **NEXT STEPS**

In conclusion we suggest that the above **recommendations be part of the social assistance review**, recommended by the Social Assistance Review Advisory Council (SARAC). The province urgently requires a more effective system of income security programs that meet the needs of Ontarians in a rapidly shifting economy.

## ENDNOTES

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<sup>i</sup> Adele Furrie Consulting Inc., Human Resources and Skills Development Canada. (2010). Towards a better understanding of the dynamics of disability and its impact on employment. March 31, 2010.

<sup>ii</sup> An additional 704,800 adults who reported other underlying health conditions not associated with “episodic” disability also indicated that they were either “often” or “sometimes” limited at work or at school by their disabilities.

<sup>iii</sup> For the purposes of this discussion paper, Motor Vehicle Injury Insurance and Personal Injury Insurance are not included.

<sup>iv</sup> This number is compiled from the individual websites of the various disability income support programs.

<sup>v</sup> Stapleton, J. & Tweddle, A., Open Policy. (2008). Review of Current Canadian Disability Income and Employment Policies and Programs. CWGHR. 2008.

<sup>vi</sup> Stapleton, J. & Tweddle, A., Open Policy. (2008). Navigating the Maze: Improving Coordination and Integration of Disability Income and Employment Policies and Programs for People living with HIV/AIDS - A Discussion Paper. August 2008