

MEMORANDUM

TO: Ministry of Assisted Living and Social Services, Government of Alberta

FROM: Renze Nauta, Program Director, Work & Economics
Andreae Sennyah, Director of Policy

DATE: September 12, 2025

SUBJECT: Consultation on the proposed Alberta Disability Assistance Program

WHO WE ARE

Cardus is a non-partisan think tank dedicated to clarifying and strengthening, through research and dialogue, the ways in which society's institutions can work together for the common good.

ISSUE

The Government of Alberta is planning changes to the current Assured Income for the Severely Handicapped (AISH) program and establishing a new, separate stream of support called the Alberta Disability Assistance Program (ADAP). As ADAP is designed, Cardus is providing recommendations to balance two core policy objectives: increasing the ability of people with disabilities to earn employment income and ensuring that those with the most severe disabilities receive the necessary amount of support.

KEY CONSIDERATIONS

As outlined in our paper "Breaking Down Work Barriers for People with Disabilities," the development of income assistance and employment policies for people with disabilities should follow these key principles:

1. Policies should recognize that work is a core component of human dignity and is an important part of human flourishing. Work has both monetary and non-monetary benefits including positive social and health outcomes that cannot be replicated through government income support benefits.
2. Income support programs should be designed with a bias toward ensuring that recipients can work as much as possible. However, earned income often cannot be the only or primary financial source for people with disabilities, especially those who face the highest barriers to employment.
3. Public policy must strike a delicate balance between government supports and earned income to ensure that people with disabilities can meet their basic needs and live in accordance with their dignity.¹

RECOMMENDATIONS

Recommendation 1: The Government of Alberta should not create a program that streams applicants primarily on their ability to work.

- The eligibility criteria for the new ADAP or AISH programs hinge on the applicant's ability to work. Those who are assessed as having some ability to work, even if an episodic or recurrent disability renders them unable to work for a period of time, would be unable to access AISH because AISH

¹ Lewis, Johanna, and Brian Dijkema. "Breaking Down Work Barriers for People with Disabilities." Cardus, 2022. <https://www.cardus.ca/research/work-economics/reports/breaking-down-work-barriers-for-people-with-disabilities/>.

requires someone to be *permanently* unable to work. These individuals would receive a lower maximum benefit even if there are significant periods of time when they are effectively as unable to work as an AISH recipient. This would leave some individuals worse off on ADAP than on the proposed AISH and highlights the fundamental flaw in this program's design.

- The new system's strict dichotomy between those who can work and those who cannot risks undermining the policy's intent of encouraging employment among people with disabilities. This dichotomy does not fully consider the challenges that people with disabilities have with precarious employment and their challenges with entering or re-entering the workforce. The interaction between the new AISH and ADAP may drive applicants to demonstrate that they are permanently unable to work so that they can avoid fluctuations in financial benefits.

Background

- It is true that most people with disabilities have the capacity to work. Our analysis of the 2017 Canadian Survey on Disability found that 76 percent of people with disabilities are able to work. However, it is important to note that securing and maintaining employment is more challenging depending on the severity of the disabilities.²
- People with disabilities face unique challenges in the labour market. Even when employed, they tend to have fewer hours of work and lower earnings than people without disabilities. They also tend to be employed in work that is either precarious or not permanent (i.e. part-time, seasonal, or contract positions). Further, workers with disabilities tend to have entry-level roles and are more likely to face involuntary terminations or lay-offs.³
- Our report also notes that "Canadians with severe disabilities were also at a higher risk of poverty, being twice as likely as those with milder disabilities (28 percent vs. 14 percent)—and almost three times as likely as those without disabilities (10 percent)—to live below the poverty line."⁴ With this context, income supports for people with disabilities should avoid disincentives to employment, recognizing that the barriers facing these workers are significantly higher than workers without disabilities.

Recommendation 2: The Government of Alberta should reconsider the steep claw back rate for AISH recipients.

- For those assessed as being permanently unable to work and eligible for AISH, the 100 percent claw back rate would dissuade them from seeking any employment above the fully exempt threshold of \$350.
- The problem with the steep claw back rate is similar to the problem outlined in Recommendation 1. The new AISH proposal is, understandably, focusing the highest benefits on those who cannot supplement government benefits with employment income. However, our concern is that the proposal draws too strict a distinction between those who can work and those who cannot. As outlined above, disabilities can be much more complex than this. Removing any incentive to work could lead recipients to not pursue any work at all.
- This would, of course, no longer be an issue if the government accepts the previous recommendation not to draw such a strict dichotomy along the lines of capacity to work.

² Lewis and Dijkema, "Breaking Down Work Barriers for People with Disabilities," p. 17-19.

³ Lewis and Dijkema, "Breaking Down Work Barriers for People with Disabilities," p. 18.

⁴ Lewis and Dijkema, "Breaking Down Work Barriers for People with Disabilities," p. 19

Recommendation 3: Address the role of employers in hiring people with disabilities.

- Cardus agrees with the need for additional supports that encourage employers to hire more people with disabilities. The Government of Alberta is addressing this component through an enhancement of its Disability Employment Services that is meant to support ADAP recipients.
- The Government's discussion guide "Transforming disability income assistance in Alberta" suggests a heavy emphasis on providing services to ADAP recipients to help them with career planning, resume assistance, training, and assistance with digital services.
- While Cardus welcomes these measures, the Government must not overlook the role of employers in going beyond the minimum accessibility standards. The design of this program must emphasize employer engagement and the identification of job opportunities, and avoid putting the onus entirely on ADAP recipients to find and retain employment.

Background

- Our research has found that discrimination, stigmatization, and lack of knowledge about workplace accommodations all contribute to the employment challenges of people with disabilities.⁵
- Our analysis also found that the federal and provincial government invest far more in income support programs than on employment programs for people with disabilities. For example, federal spending in 2019-20 showed that 90 percent of spending on disability programs was for income support, compared to 5 percent on employment programs. A 2010 analysis found that this imbalance is also present in the majority of OECD countries.⁶

⁵ Lewis and Dijkema, "Breaking Down Work Barriers for People with Disabilities," p. 49-57.

⁶ Lewis and Dijkema, "Breaking Down Work Barriers for People with Disabilities," p. 35.