

Shaping our Future: A Dialogue for Social Workers

By

Gayle Gilchrist James, MSW, RSW (AB)

Faculty of Social Work, University of Calgary

For

Ontario Association of Social Workers

Proceedings

September 28, 1996

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How Did We Get From “Then” To “Now?”

There has been a revolution in Canadian social policy, dating explicitly from the February 1989 Budget of Michael Wilson. While a budget is always a public event, it may contain subtle changes which, strung out over time, have effects out of all proportion. It is to these less than transparent changes that the then-Director of the National Council of Welfare ascribed the phrase “the politics of stealth”, albeit Ken Battle did so under the pseudonym of Grattan Gray, and *not* in a National Council of Welfare publication. This expression has become part of the common parlance, among commentators and policy analysts, but the patent belongs to Battle (currently, the President of the Caledon Institute of Social Policy), and for its brilliance and accuracy, he deserves great credit.

The Established Programs Financing Act (1977) had seen the arbitrary joining of health and post-secondary education funding, with tax transfers and cash grants to the provinces comprising approximately fifty percent of total provincial expenditures on these items. In the high-inflation early 80s, the federal government sought to limit the growing costs of health and education, and increases were limited in, 1984 and 1985, to the famous “6 and 5 “ (percent). By 1986, the increases were confined to the growth in the Gross National Product (GNP), minus two percent and, in the 1989 Budget, the formula changed to increases to the growth in the GNP minus 3 percent, which seemed like a modest distinction, at the time. But here the “politics of stealth” came into play. The Gross National Product had increased by 5% in 1988 and by 2.4% in 1989, so a three percent fallback in the federal contribution to the provinces did not appear to represent any real danger to the health and education transfers. However, when the GDP had fallen by 0.2% in 1990, and by 1.8% in 1991, the enormity of the provinces’ new position began to sink in. The National Council of Welfare extrapolated this new arrangement, over time and concluded (Spring 1991, *Funding health and higher education: danger looming*):

Our forecast shows the last federal cash for Medicare and postsecondary education in the fiscal year 2008-2009 -- a token payment of \$238,000 to (the) Yukon. In 2009-2010, not one cent of federal cash under EPF would go to any province or territory.

It took some time for the provinces to understand the full implications of the stealth of the 1989 Budget... and it took Canadians (including Canadian social workers) rather longer, for the Canada Health Act had *not* changed, and there had been no public discussion of the diminution of federal support. The resultant effects have been chronicled repeatedly; hospital closures; the deprofessionalization of health care personnel; user fees, increasing tuition costs at colleges and universities; increased and increasing class sizes; reliance on sessional instructors; early retirements; long waiting lists for elective procedures and unpredictable access even for acute care; and the brain drain among health care personnel and academics who, educated in Canada, had never planned to leave their native land. Even the “have” provinces (Ontario, Alberta, and B.C.) could not or would not make-up from provincial treasuries the missing federal transfers, ironical in the case of the latter two provinces, who also charge health care premiums. In the ensuing chaos, few noted that both health and education policy were being made almost entirely by the federal Finance Minister and by provincial Treasurers.

Even fewer were aware that this development was an overlay to the practice of making lump-sum payments to provincial treasuries, to be spent at the absolute discretion of those treasuries (which had permitted Alberta, for one, to spend *less* than the national average of their allotment for health and advanced education). The then-President of the Alberta Medical Association Dr. Guy Gokiart, noted (Calgary *Herald*, 15 September 1995):

Alberta ranks 10th among Canadian provinces for total health-care spending. In 1991, Alberta spent 8.2 percent of its gross domestic product on health care, while other provinces spent 9.7 percent to 13.5 percent.... It is important to note that these figures rank Alberta's health-care spending *before the government's budget cuts began* (emphasis mine).

Meanwhile, an almost parallel attack-by-stealth was going on with the other major programme in Canada's social safety net: the Canada Assistance Plan (1966). The process began innocuously enough, with the announcement that the same three "have" provinces would have the federal portion of their funding (roughly fifty percent) limited to a 5% increase, beginning 1990-91, despite the fact that, at the time, half of the nation's poor lived in those three provinces. This became known colloquially as the "Cap on CAP"...and a bitter turn of phrase, especially when the "cap" had to be worn by these three provinces until fiscal 1995-96. The sums involved were not insignificant. Premier Bob Rae complained (*Globe and Mail*, November 10, 1993) about the freeze on two grounds: the essential unfairness of the loss when compared to the other largest Canadian province, and the actual cash value of the loss:

"It would mean, for example, that under the Canada Assistance Plan we'd be asked to pay 72 percent of the cost of social assistance, and Quebec... would be asked to pay 50 percent". Ontario argues that it has lost \$4.4 billion this year because of the previous Conservative government's decision to cap at 5 percent a year increases in transfer payments for shared-cost programs such as the Canada Assistance Plan and the Established Programs Financing agreement.

There can be little doubt that Ontario, probably more than any other province, bore the brunt, exponentially, of the combined effects of devastating reductions in federal transfer payments, while in the same era losing part of its traditional manufacturing base because of the Canada-USA Free Trade Agreement and the North American Free Trade Agreement. No provincial government could be expected to survive under such conditions, when the average citizen could not comprehend the complexity of the situation, and the Rae government did not, for these and other reasons not the subject of this enterprise.

Recent History

Meanwhile, back at the federal government, the faces had changed to Liberal ones.. but the social policy and program destructionist policies of the previous Conservative government had not. Universality, as a guiding and non-discriminatory principle for policy and programmes, was clearly over. As of April 1, 1996, the architecture of the welfare state (always incomplete and subject to the negative "building inspections" of various review groups like the Macdonald Commission and the Neilsen review) was deteriorating, and not about to be declared anything but an "historic site". Both the Canada Assistance Plan and the Established Programs Financing Act were gone, April 1st, 1996. In their place was the fledgling Canada Health and Social Transfer (CHST). Health, postsecondary education, and welfare were to share a common dwelling place and a marriage not made in heaven. This was to be a mixed marriage, one that clearly placed programs with entirely different purposes, goals, and client/patient systems *competing* for the same program dollars. In this competition, welfare clearly fell from the national agenda. Under CHST, the basic principles of the Canada Health Act were preserved (reasonable access, portability, et al) while the underpinnings of CAP were *not* (only the residency right, guaranteed under the Charter remained.., and the Province of British Columbia was quick to challenge even that.. and lose.., and retrofit their own provincial legislation to accommodate the residency requirement).

Two things can destroy a national program: the program can be eliminated or, likewise, the program can

be maintained for reasons of propriety, and the money which is ascribed to it is removed (leaving the legislated and regulatory pieces intact), in the case of Canada's social safety net, *both* factors obtained. The legislation changed, and the monetary underpinnings were evaporating. We had new legislation, the Canada Health and Social Transfer (CHST), and the money to sustain basic services for health, advanced education, and welfare was not only lessened, but the three long-affiliated groups were set upon one another in a fit of competition for increasingly-scarce federal dollars. In this competition, citizens vocalised their choices: everyone could identify with the "deserving" position of requiring health care; a few could identify with the lot of university and college students, facing increased tuition fees; but no one save those aware of the stellar effects of poverty-as-a common-denominator could even appreciate the effect these national (and covertly provincial) decisions had on thousands of Canadians.

At the end of the day, we are faced with the ugly realities of The Honourable Paul Martin's March 6th 1996 Budget: a \$2.5 billion cutback, effective 1 April 1996; and further cuts of \$4.5 billion to CHST in fiscal 1997-98, with an additional \$700 million in cuts in *each* of fiscal 1998-99 and 1999-2000. We *had* anticipated federal spending in the order of \$37 billion in 1993-94; and suddenly, we were "happy" with an expenditure of \$25.1 billion in 1997-98, when the expenditure would have been \$29.6 billion! Harkening back to the National Council of Welfare's prediction of no federal cash to the provinces by 2008-09, we were heartened by the Minister's announcement that an \$11 billion cash floor would kick-in, circa 1998, for 5 years. Alone in one's living-room, watching the Minister on CBC television, I applauded his announcement, forgetting in that moment how minimalist his proposal was. Bits of stealth were present in that Budget, too. While the Canada Pension Plan was being reworked (unsuccessfully) through much of this year, Minister Martin announced a new Seniors Benefit Plan, a combination of Old Age Security, the Guaranteed Income Supplement, the pension income credit, and the age credit. These benefits were now to be income tested, and those 60 years old by 31 December 1995 could choose whether to stay under the old system or move to the new one. Under the new system, couples with retirement incomes of \$45,000 and individuals with retirement incomes of \$52,000 essentially will lose their "old age security". Because the previous couples threshold was \$106,000 this development ought to have some interesting implications for family policy. Not only will seniors have less disposable income to share with their adult offspring who are living through the travails of downsizing and mortgage-paying, but one could suggest that wise seniors, having some rudimentary knowledge of mathematics, would contemplate divorce as they turn 65 years of age and share a fourteen thousand dollar boost in their eligibility for the new federal program. Perhaps most insidious of all, the new Seniors Benefit Program (2001) will almost guarantee loss of support from the middle class for all social programs, which will be perceived as items for which one pays all one's life, to reap no benefit. There are many other items in that selfsame Budget which deserve comment but which, for reasons of length, will not be included here.

Summary

All of the major elements of our national safety net have been radically changed through being combined, eliminated, collapsed, de-regulated, de-indexed, partially targeted, and/or devolved to the provinces, who have greater or lesser willingness and fiscal capacity to shoulder the burdens of federal abandonment. These changes have been made without the public consultation and participation one expects in democratic governments. The hard-won gains of the post-World War II period are gone. This social worker, for one, had not planned on waking-up yesterday. Those who have believed that "our values connect our programs" are dismayed that the legacy we will leave our children and grandchildren will not be one (as the neo-conservatives fear) of a burden of debt, but the intolerable burden of greed, mistrust, and intergenerational rivalry, with its attendant loss of peace, order, and good government. Only one Canadian premier has stated that his principle of government "is to assert the public interest... among the interest groups", and he defines "statelessness" as a term not for the absence of citizenship, but for the

loss of government (Cohen, *Report on Business Magazine*, 1996).

Where To From Here?

The Province of Alberta was the first to hurl itself into massive cost-cutting and deficit reduction (Saskatchewan managed this exercise more planfully but with less publicity). The Province of Ontario seems to be committed to following “The Alberta Advantage”, as evidenced by the release of Thomas Courchene’s ACCESS paper (A Convention on the Canadian Economic and Social Systems: A Working Paper prepared for the Ministry of Intergovernmental Affairs, Government of Ontario, August 1996). While the Paper died a timely death on the First Ministers’ sojourn by train from Edmonton to Jasper National Park, Summer 1996, it should be recollected that its failure as a “national” policy piece was due to its lack of being shared among all the Premiers prior to their Western adventure, rather than to any critical policy analysis. And, while the accompanying media made a good deal of sport of this rejection (“Throw Tommy from the train...”), the paper may yet be no laughing matter to the citizens of Ontario. From the vantage point of an Alberta social worker who has witnessed three years’ chaos, the writer offers some suggestions for your consideration.

1. Knowledge is power. Educate and re-educate yourself for this there is no substitute, and you cannot expect OASW to do it *for* you. This means, minimally, reading the Courchene Paper, everything published by the National Council of Welfare (publications are free), and nearly everything written by the Caledon Institute of Social Policy (publications are close to free). Throw in the major documents of the Canadian Council on Social Development..., and read, daily, Canada’s (mostly) national newspaper. It is from these sources you will become, at the least, an informed citizen and, at the most, capable of influencing others’ thinking, whether it be in your personal network or in the more formal attempts by the profession to influence social policy and programs. A professional association has as much need of an informed electorate as does any government. If you demur on the basis of time commitments, you are not only providing a lesser service to your client systems, who have a right to expect that you are following your own Code of Ethics and assuming responsibility for contributing to and modifying social policy, but you are exhibiting little interest in your own self-care. Are you not interested in your own access to quality health care? in your children’s general and postsecondary education? in whether you will be poor when you are old? in whether you can find any kind of job when yours is privatized or outsourced? in what will happen to you if you become ill or are disabled? The implication: we are all someone’s clients. In matters of national and provincial resources, the (imaginary) line which has separated us from those who use our services has grown exceeding thin.

2. Orient or re-orient yourself to the fundamental perspective of social work: person-in-environment. Reclaim your proud heritage. A distinct hazard of specialization (in *any* profession) is that one can become so immersed in one’s field that the big picture is forgotten. While the lack of ability to recognize one’s unique role in the larger enterprise is, itself, a recipe for burnout, it is critical now that we truly understand Carol Meyer’s adage: “Think big; do small” (or CIDA’s version: “Think globally, act locally”), it is a time for partnership efforts; you can take no measure of relief in your program being saved while your colleague’s is axed. In the new era, the quality programs and the quality people who staff them will fall along with the ineffectual programs and the less-than-competent; what is afoot has to do with ideology and dollars. Little else matters.

3. Stay or get connected to reality. The policies of slash and burn are *real*. Universality is *over*. These developments are not merely *cyclical*. Using 1994 data, the Office of Economic Cooperation and Development has determined that Canada ranks second among the industrialized nations in its child poverty rate (only the USA is worse). Alberta’s welfare caseload has gone from an all-time high of

98,642 (December 1992) to the lowest number since September 1982: 40,625. Are we to believe that a province whose population always parallels that of Metro Toronto found employment for 56,000 people (40% of whom were children) in the last 3 years? And, while a causal relationship has not been established, ought we not to wonder why a province that had an average monthly child welfare caseload of 7,587 in 1994 has an average caseload (August 31, 1996) of 9,972? or why there was a 230% increase in child welfare apprehensions in Calgary in the period April 1 1995--February 1996? or why the Edmonton Social Planning Council's December 1996 research indicates that "43.8 percent of people who dropped off welfare rolls in the city now have no income at all and just 10 percent have full-time work"? or why Edmonton has the third-highest poverty rate among two-parent families (Calgary came fifth) while the province had the lowest transfer payment per \$100 of employment income (\$18.67)? or why Alberta newborns "have a higher rate of mortality and lower birth weights than their counterparts in much of the rest of Canada"? (Laghi, *Globe and Mail*, 25 November 1996). These graphic examples are by way of warning to those who think that the current storm can be withstood by waiting it out in some handy shelter. There is no shelter. There can be no mere witnesses amongst Canadian social workers now.

4. Remember or re-invent your activist instincts. All private troubles *must* be linked to public issues. Our role in Canada has been greater than that of (class) monitors of private and group suffering. We have 70-plus years' experience as a profession in this country at the local, national, interprovincial, and international levels. What have we learned that is useful to Canadians? Never act as though *we* are the only ones who "care"; there are millions of caring people in this country, and we have no corner on the altruism market. But we do know some things that the public may not (for example, about the enduring effects of grinding poverty; racism; the effects of low birth weight and maternal malnutrition, etc.) that the public cannot afford *not* to hear. The citizens of Canada need to know how expensive poverty is.

5. Solicit into OASW membership or re-register in membership those social workers who have left the profession, not in anger but, perhaps, out of benign neglect. The profession is for every properly-qualified social worker, and this author senses that the policy and program experts, comparatively smaller in numbers in most professional social work associations, have left or, at least, felt there was no home for them. It can be no secret that the majority of the better policy and management minds in our profession exist in Ontario, and these individuals have for many years pursued their solitary tasks, lost from a profession that always needed them, and now desperately needs them. It is a time to reaffirm all of the functions of social work, and to restore some sense of balance in our associations (*and in our faculties of social work*) between those who work clinically (direct practice) and those who, just as importantly, work in indirect practice. We must make common cause with one another, just as our forefathers and foremothers did, or we will not have a profession by the end of this century. We will be as dichotomous as Mary Richmond and Jane Addams, and we will wake-up yesterday... and no one will care.

6. There is much hope, but it is two-edged: there is beginning evidence that Canadians are growing restive with the devotion to deficit and debt reduction at all costs (most of them human); the bad news is that a lot of the leadership in the unification-of-social- and-economic-policy theme is coming from non-social workers and, in fact, from leaders in the business community. Catherine Swift, President of the Canadian Federation of Independent Business is the one who makes national headlines about the fact that \$23 billion in user fees ("governments at all levels are using them") is actually a tax increase. J. Edward "Ted" Newall, in his outgoing address as Chairman of the Business Council on National Issues (BCNI), complains that Canada's public service, is in the fifth year of a salary freeze which would not be tolerated in any private sector company because "it sends a strong signal to all of the best brains that it's time to leave the organization". He goes on to declare that the "even more substantial issue... is the issue of poverty in Canada and our lack of a national game plan to cope with it." Bob Blair, Chairman Emeritus of the Nova Corporation, sought the cooperation of Ernst and Young's data from their work ("the Wealth Report"), and announced, in person, to the Federal Standing Committee on Finance (Calgary, 30 November 1995) that "what we have inadvertently managed to do is to park too much of the (national)

debt in the public accounts and wealth in the private accounts”. And, finally, Judith Maxwell, formerly head of the Economic Council of Canada, the only independent economic think-tank this country possessed (herself and her organization deleted by Mulroney fiat about November 1992), has with her colleague Suzanne Peters in the Canadian Policy Research Networks, explored Canadian values in great depth.

The short version is cited by Michael Valpy (*Globe and Mail*, 14 June 1996): “...the work shows that Canadians of both language groups have an enduring belief in the role of government; that they are seeking better government, not a diminished role for government; that the social union (not the economic union) is most central to their sense of identity and security, and that they fear their country is in a free fall.”

One’s hope, at the end of the day, is that social workers will do all that they can to ensure “the integrity of civil society (so) that we can keep a reasonable rein on the relative evils of state or market coordination” (Edgar, *Family Matters*, December 1991). To achieve this, we must remember our roots and our historical focus, and we must read and think and consult and act... but our *thinking* must needs be of the *strategic* sort (and we may need to surrender, as Mintzberg suggests, our and other management gurus beliefs in strategic planning).

At the least, we can bear personal witness to Vaclav Havel’s wisdom, in *Summer Meditations*:

People need to hear that it makes sense to behave decently or to help others, to place common interests above their own, to respect the elementary rules of human co-existence.

End-Notes

1. National Council of Welfare (Spring 1991). *Funding health and higher education: danger looming*, p. 21. See, in the same report, pp. 30-3 5, a breakdown of how each province and territory is individually affected. A variety of other National Council of Welfare reports speak to these same issues, notably:

Poverty Profile 1994 (Spring 1996)
Welfare Incomes 1994 (Autumn 1995)
A Pension Primer (Summer 1996)
A Guide to the Proposed Seniors Benefit (Summer 1996)
Improving the Canada Pension Plan (Autumn 1996)

Members of OASW should be aware that the National Council of Welfare, drawing on federal data bases to which most groups do not have access, is known for its capacity to produce timely and readable social policy analyses, in fact, since the unfortunate cancellation of the Economic Council of Canada (1992), virtually only NCW has managed to remain within government and yet independent of it, perhaps because it was established by an act of Parliament, and because it enjoys strong public support. Council publications (in French or English) are available free of charge and one can arrange to be placed on their mailing list by contacting them at the 2nd Floor, 1010 Somerset Street West, Ottawa KIA 0J9 (telephone 613-957-2961; FAX 613-957-0680).

2. Available for modest cost is an ongoing series, *Caledon Commentary*, and the other rather larger issues

papers of the Caledon Institute of Social Policy, Ottawa. Their distributor is Renouf Publishing, 5369 Canotek Road, Ottawa K1J 9J3 (telephone 613- 745-2665; FAX 613-745-7660). Upon request, they will notify you of forthcoming publications. These, particularly, are suggested:

Battle, K. and S. Torjman. (March 1995) *How Finance Re-formed Social Policy*

Mendelson, M. (October 1995) *Looking for Mr. Good-Transfer: A Guide to the CHST Negotiations*

Battle, K. and S. Toijman. (November 1995) *Lest We Forget: Why Canada Needs Strong Social Programs*

Toijman, S. (June 1996) *Does Canada Need Ottawa?*

Battle, K. (June 1996) *National Child Benefit: An Idea Whose Time Has Come*

Mendelson, M. (June 1966) *The Provinces' Position: A Second Chance for the Social Security Review*

3. Geoffrey York (24 July 1992). "Michael Wilson's quiet revolution", *Globe and Mail*, A1.
4. Blair Robert (30 November 1995). *Smarter Business-Like Approaches to Public Debt*. Submission (1995) to the Standing Committee on Finance, Calgary, AB.
5. Cohen Andrew (September 1996). "Prairie Sun", *Report on Business Magazine*, pp. 94-104. The Canadian premier cited in this paper and in Cohen's article is the Honourable Roy Romanow, Province of Saskatchewan.
6. Courchene Thomas (August 1996). *A convention on the Canadian Economic Social Systems. A Working Paper Prepared for the Ministry of Intergovernmental Affairs, Government of Ontario*. 45 pages.
7. Edgar Don (December 1991). "Economic Humanism", *Australian Institute of Family Studies*, pp.2-4.
8. Maxwell J and Lewis M (12 May 1995). "Exploring Canadian Values", Family Network of the Canadian Policy Research Networks. Personal communication. See also Margaret Philp, "Social programs essential, most Canadians maintain" (13 December 1995, A8) Michael Valpy, "A portrait of our values" (13 December 1995, A27), and Michael Valpy, "Far from a 'Trudeauist' agenda" (14 June 1996, A23), *Globe and Mail*.
9. Newall J Edward, "Past and Future: A Recollection". Presentation by the then-Chairman, Business Council on National Issues (BCNI), at the Members' Dinner, Toronto, 24 April 1995. Mr. Newall states, in part:

The second issue I believe we must address is even more substantial. It is the issue of poverty in Canada and our lack of a national game plan to cope with it. I think this is another time bomb waiting to go off because, ladies and gentlemen, we are failing profoundly to deal with this issue.
10. Robert Fulford (October 1995), *Report on Business Magazine*, gives an exceptionally positive review of Henry Mintzberg's recent book, *The Rise and Fall of Strategic Planning*. Mintzberg favours "strategic thinking" over "strategic planning", says that "Strategies grow initially like weeds" (Fulford, p.71), and that he loved "discovering the order underneath the chaos" (Fulford, p. 74).
11. "Child welfare on the rise" (4 October 1996), *Edmonton Journal*. The *Journal*, citing statistics released by Alberta Family and Social Services, describes an increase in monthly child welfare caseloads

to 9683 in 1996 (from 7587 in 1994 and 8599 in 1995). As at 31 August 1996, 49.1% were in family care, 32.8% were in foster care, and 18.1% were in group homes. While no causal relationship can be drawn (research is lacking), it is widely believed that the increase in child protective services is attributable, at least in part, to the “welfare reforms” announced by Minister Mike Cardinal, 15 April 1993, which saw in excess of 50,000 people leave Alberta’s welfare rolls within the subsequent 3 years. Brian Laghi, in “Death rate of newborns stirs concern in Alberta” (25 November 1996, A7), *Globe and Mail*, points out that “Alberta newborns have a higher rate of mortality and lower birth weights than their counterparts in much of the rest of Canada, according to a study prepared by the Alberta government”.

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