PERCEPTION

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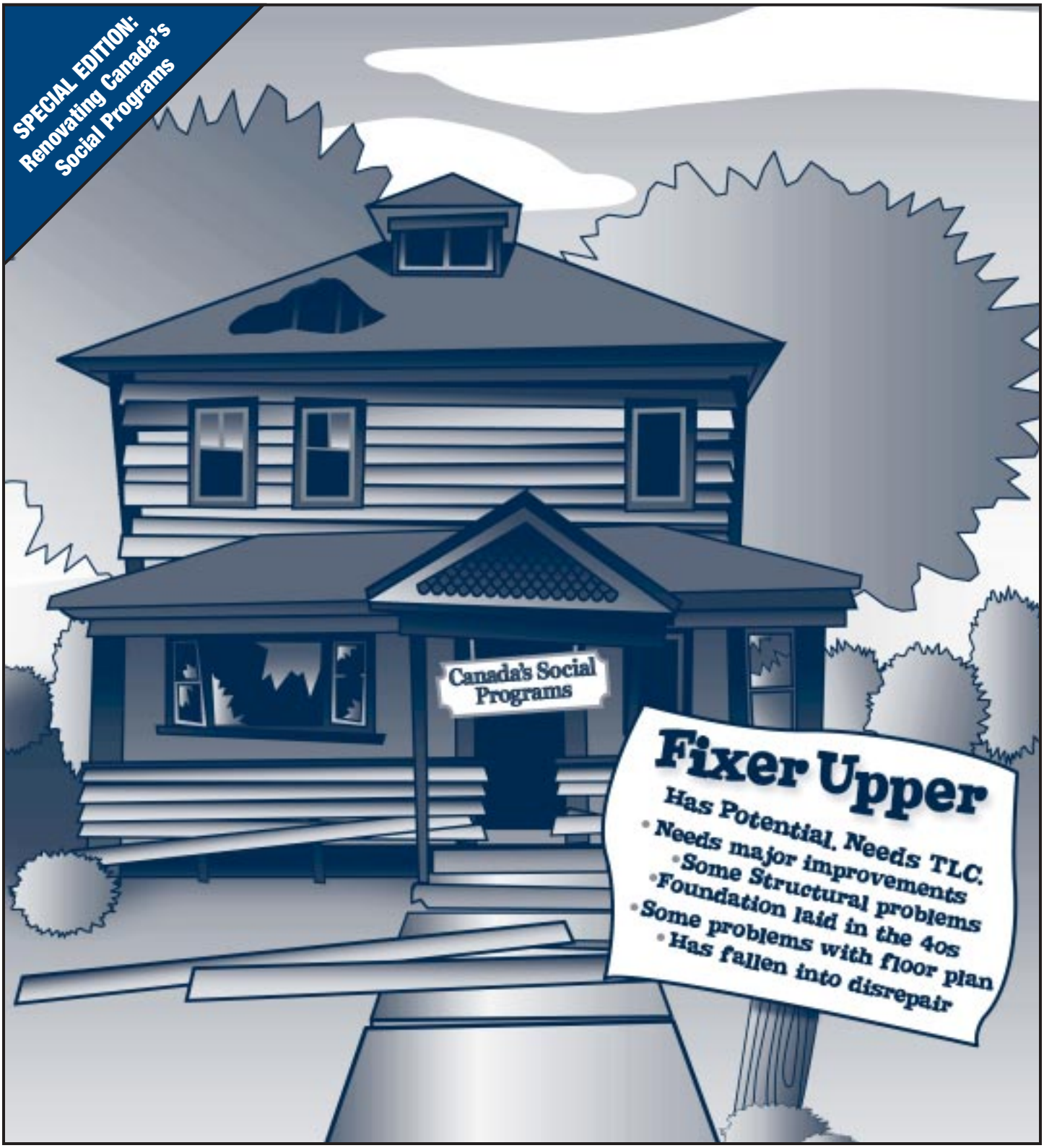
CANADIAN COUNCIL ON SOCIAL DEVELOPMENT

SPECIAL EDITION: Renovating Canada's Social Programs



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This issue of *Perception* focuses on the state of Canada's social programs

We have brought together a range of voices – policy-makers, decision-makers, practitioners and activists. Each of our contributors focuses on different social issues and programs, and their opinions diverge. But these Canadians agree on one thing: the critical importance of social programs in creating healthy communities and ensuring the well-being of all Canadians.

Canada's post-war social architecture has always been a patchwork of programs and services. And yet by the 1970s, this patchwork provided Canadians with important protection from the vagaries of the market, helped redistribute income and forge social bonds.

The world we have has shrunk over the past 25 years. Cost containment and debt reduction have replaced fiscal stimulus and social spending as the policy tools of choice. Between 1992 and 2002, total Canadian government spending fell by 10 percentage points of GDP. By 2001, program spending as a share of GDP had dropped to the level it was in 1950.

The world we live in has changed profoundly. More than ever, Canadian families come in "all shapes and sizes," and cultural and racial diversity are changing the face of our communities.

Our life-course is also being transformed. For young Canadians, the transition to work is taking longer and becoming more difficult. Older Canadians face challenges from the health care system but real progress has been made towards eliminating poverty among seniors.

Canadians' relationship with the labour market is also changing. The dramatic increase in the labour force participation of women is unfortunately paired with the growing prevalence of low-wage work and precarious jobs.

Perhaps most significantly, the Canada we live in has become an incubator for inequality. The growing gap – rising income inequality and the unequal distribution of wealth – helps to explain our failure to eradicate child poverty.

So where do we go from here?

Public opinion polls show that Canadians understand the need to address these inequalities in a pragmatic yet compassionate way.

And inside this edition of *Perception* you will see what some of our members have to say about the state of Canada's social safety net. Even better, they offer good ideas for future directions.

The timing has never been better for a new period of social innovation. And we can start with a good healthy Canadian discussion about our future – the kind of discussion that many of our member organizations have already begun.

The emergence of the new Canada Social Transfer (CST) – by default, after the creation of the Canada Health Transfer recommended by the Romanow Commission – makes this process essential.

How should the federal government use its fiscal leverage to pursue national social objectives? What should be the scope of social programs funded under the CST? How can we protect and encourage provincial flexibility for innovative solutions? What values should govern these expenditures? And how can Canadians be assured that their investments are producing the desired results?

These questions cannot be answered in a sterile debate about fiscal transfers. They require a real dialogue, one which engages Canadians in planning for their collective future.

Over the coming months, the CCSD will work with partners across the country to involve Canadians in this crucial debate.

At the same time, through our social architecture series, we will identify the strategies and tools required to advance a social vision – to take us from **the world we have** to **the world we want**.

Peter Bleyer
CCSD President

Just Released...

The World We Have,
by Katherine Scott

This paper is part of the CCSD's new Social Architecture series. The Architecture project examines key social challenges facing Canada, and highlights a number of strategic options. Other papers in this series include *What Kind of Canada?* and *Postponed Adulthood: Dealing with the New Economic Inequality*.

The Social Architecture papers are available on-line at **www.ccsd.ca**.

Fast Facts - The Disappearing "Just Society"

Disappearing investments in social development:

Amount that federal transfers to the provinces were cut, 1995-1998: **$8.2 billion**
Percentage decrease this represented: **30%**

Amount the federal government cut social programs, 1995-1998: **$4.2 billion**
Program spending as a share of GDP, 1990/91: **16%**
Program spending as a share of GDP, 2000/01: **11.6%**
Last time that program spending was at such a low % of GDP: **1950**

Sources: *Canada's Commitment to Equality, A Gender Analysis of the Last Ten Budgets*, 2005 and *Will Community Voices Shape Public Choices?* by Armine Yalnizyan.

VIEW FROM DOWN UNDER:
Lessons from the New Zealand Experience

by Janet Creery

New Zealand offers a cautionary tale of how bad things can get when government wields a machete over its social programs. But this small South Pacific nation also shows us a hopeful path out of the wilderness to a more humane approach to government. Anyone frustrated with the social policy situation in Canada might find it useful to take a closer look at this faraway nation.

Conveniently enough, the Canadian Council on Social Development now has a privileged window on New Zealand. The CCSD president, Marcel Lauzière, moved there earlier this year to take on a two-year assignment as one of the Deputy Chief Executives at the NZ Ministry of Social Development. Before he left, Lauzière offered a few insights into the similarities and differences between New Zealand and Canada.

There are some startling similarities. Like Canada, New Zealand is a highly urbanized country – 85% of the population lives in cities, compared to 80% in Canada – with an increasingly high immigrant population and an important Aboriginal minority (15%, compared to just 3% in Canada). New Zealand "also has high poverty rates, seemingly higher than ours," says Lauzière, cautioning that different forms of measurement make these comparisons somewhat uncertain.

While Lauzière finds the country's Anglo-Saxon social and political traditions similar to those of Canada, he says New Zealand's smaller population (just 4 million), strong central government, and dedication to addressing social issues remind him more of Quebec.

The Department of Social Development is New Zealand's largest ministry – in stark contrast to Canada's new and relatively small Social Development Department. "Social policy is a big part of what they do in the government of New Zealand," says Lauzière.

But it hasn't always been that way. As Lauzière puts it, New Zealand is "politically interesting."

Through the 1990s, New Zealand's government was known not for progressive social policy, but rather the opposite – radical dismantlement of government.

Graham Kelly, a former Labour MP who for 16 years "mostly represented poor people," refers to that period as "a revolution."

"When Stalin sold the wheat crop to industrialize, six million people starved. It was about that scale in NZ," says Kelly, who is now New Zealand's High Commissioner to Canada.

Although the comparison may seem dramatic, it captures the crisis. New Zealand had struggled economically since England severed preferential trade ties with the small nation in the late 1980s. The Conservative government's 1990s solution was to force global competitiveness and "market forces" on every institution – including government.

"We had government departments that were turned into state-owned enterprises with a board of directors," says Kelly.


Marcel Lauzière


Graham Kelly


Armine Yalnizyan


Don Gray

He acknowledges that the market approach made New Zealand's postal service the most efficient in the world, but for social policies and programs it was a disaster.

Social workers were minimally trained, and staff in the social welfare ministries received bonuses for paying out fewer benefits, says Kelly. Social housing was sold off and rents adjusted to "market levels," while schools boards were dissolved and run on a business model.

"The bottom 20% got savaged," says Kelly. "There was a resurgence of Tuberculosis and other diseases that we had eradicated 30 or 40 years earlier."

The Maori aboriginal population was, not surprisingly, disproportionately affected. In 1997, the death of a Maori man was traced to deep cuts to the health care system. A year later, Kelly published a book called *Economic Apartheid – Growing Poverty in the Nineties.*

It was hard to keep track of what was going on, since public television was made into a "trading department" which was forced to make a profit. And record-keeping was so gutted that, according to Kelly, "in 1999, the Department of Social Welfare could not give a report to the incoming Labour government. They had to employ a team of accountants."

What the numbers eventually revealed was that – rather like Canada – the gap between rich and poor expanded substantially over the 1990s. There were many more millionaires at the end of the decade than at the beginning, says Kelly, but the average New Zealander did not benefit. "We were promised a lot of gain, but instead we got a lot of pain."

Like Canada, New Zealand is a highly urbanized country with an increasingly high immigrant population and an important Aboriginal minority.

Kelly believes that Canadians would never go as far as New Zealand did in slashing supports for its more vulnerable citizens. Yet Canada's elimination of the Canada Assistance Plan in 1995, followed by massive cuts to transfer payments, had rather similar effects. Across the country, fewer and fewer people have been entitled to receive welfare or employment insurance benefits, and the gap between rich and poor has yawned wider. While Canada as a whole tends to be rated among the top 10 countries in the world on the UN's human development index, Canada's Aboriginal people barely make it into the top 80.

Indeed, Kelly's prognosis of New Zealand's "market experiment" sounds rather similar to Canadian economist Armine Yalnizyan's view of the last decade of socio-economic policy: "Increased public scrutiny and testimony will expose this hard-as-tacks approach as a bill of goods that is peddled under the label of "Prosperity for All," but delivers increasing hardship for a growing number."

Fast Facts: Canada and New Zealand

OECD countries covered in recent UNICEF report on child poverty in rich countries: **26**
Number of those countries with lower child poverty rates* than Canada: **18**
Number of countries with lower child poverty rates* than New Zealand: **22**

According to most recent figures, child poverty rate:
- in Canada: **15.6%**
- in New Zealand: **16.3%****

Change in child poverty in the 1990s:
- in Canada: **– 0.4%**
- in New Zealand: **+ 2%**

Decrease in social spending over the 1990s:
- in Canada: **1.3%**
- in New Zealand: **2.7%**

Current percentage of GDP devoted to family and other related social transfers:
- in Canada: **5.79%**
- in New Zealand **7.54%**

Current low-income rates:
- in Canada: **14.9%**
- in New Zealand: **16.3%**

* Defined by UNICEF as a child living in a family with less than 50% of median after-tax household income, for a year between 1999 and 2001.
**Note: Since the release of the UNICEF report, Statistics New Zealand has revised its child poverty figure to 14.4% for that period, nearly 2 percentage points less than reported in the UNICEF document.
Source: All data are from UNICEF's report, *Child Poverty in Rich Countries, 2005,* Innocenti Report Card No. 6. See **www.unicef.org/irc**.

And Yalnizyan's prediction for Canada – that people will eventually see through this approach and overturn it – is exactly what happened in New Zealand.

A crucial element in turning the tides in New Zealand was a 1993 referendum which chose proportional representation over the old "first past the post" voting system. Elections New Zealand (**www.elections.org.nz**/) traces that decision to a gradual breakdown of public trust in the old system – a situation not dissimilar to that in Canada and many other democracies. Twice in the late 1970s and early 1980s, the Labour Party received the most votes but failed to form the government. Alternate parties also received 15% to 20% of the vote but managed to capture only one or two seats in Parliament. When Labour finally took power in 1984, they established a Royal Commission on the Electoral System, which led to 1993 referendum.

The new system creates separate votes for local candidates and national parties, and sets aside seven seats for the chronically under-represented Maori population. Its first application in 1996 elections yielded an unlikely coalition which finally collapsed, sapping confidence in the new system. But elections in 1999 resulted in a stable Labour-led coalition and a Parliament much more representative of modern New Zealand society.

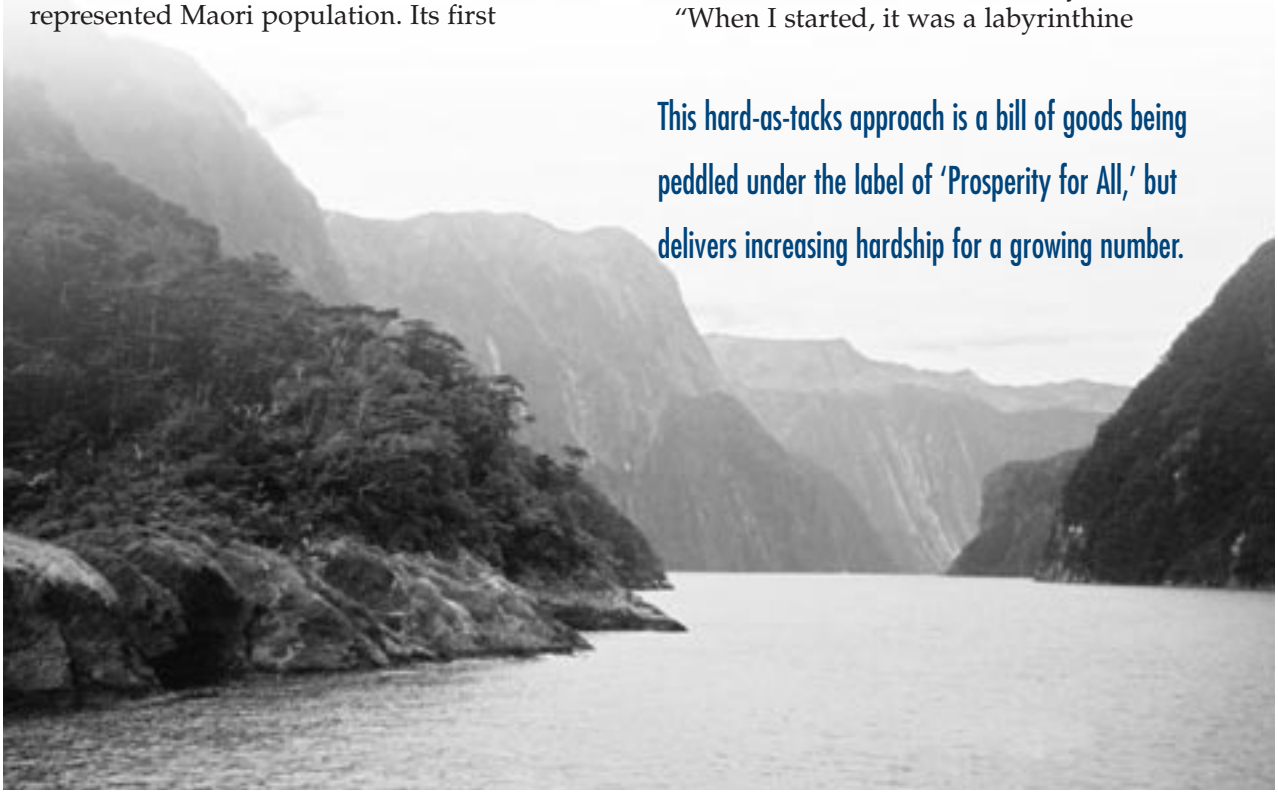
Through the 1990s, NZ's government was known not for progressive social policy, but rather for the radical dismantlement of government.

In 2002, 34 women, 19 Maori, three Pacific Islanders (a traditionally disadvantaged group), and two Asian MPs were elected. At present, the Prime Minister, the Chief Justice and the Governor General are all women.

The Labour-led coalition has also set out some new priorities. As Kelly puts it, "We couldn't put the genie back in the jar, but we have tried to put the social equation back into economic policy."

Indeed, a look inside New Zealand's bureaucracy shows that the last 20 years have created a rather unique governmental animal which shows little resemblance to its forebears – but may offer a rather effective model of government.

Don Gray, who joined the Department of Social Welfare in 1984 and is now Deputy Chief Executive of the Policy and Knowledge branch of the Social Development Ministry, is well placed to document the "one or two changes" that have occurred over his 20+ years of service. "When I started, it was a labyrinthine



This hard-as-tacks approach is a bill of goods being peddled under the label of 'Prosperity for All,' but delivers increasing hardship for a growing number.

organization – a big public service bureaucracy without a lot of clear focus," he says.

The radical restructuring of the late 1980s and early 1990s were, he says, "hugely successful in terms of efficiency." The unitary organization of the bureaucracy was dissolved, and each department was given a Chief Executive who was responsible for the department or ministry.

Now that these Chief Executives are asked to focus on "social outcomes rather than just efficiency," the system works rather well, says Gray. His Ministry maps many indicators of social development and publishes a Social Report for all to see.

Since all Chief Executives must publish a statement of intent, those in the service departments – everything from Justice to Education – tend to structure their thinking around the Social Report.

"The Treasury Report and our Social Report are complimentary," says Gray. "I sit in on a session with 15 or 20 heads of departments. A few years ago, they were discussing their statements of intent, and they all started to point to the Social Report."

The heads of departments or ministries may be better able to make their own decisions, in consultation with others, because of another recent innovation in New Zealand government: a "firewall" between the bureaucracy and the political level. "This might be of particular interest to Canada, given recent debates about governance, not to say corruption," says Graham Kelly.

Under this new system, social policies have been very successful in some areas. Gray cites the increasing employment and educational attainments of young Maoris as one area of real improvement.

With the Social Development Ministry now the largest in government, and its Social Report leading the direction of many other departments, it's clear that there is impetus for positive social change in New Zealand.

Canadians should take note. New Zealand's emergence from its period of social crisis offers some very interesting models to consider. Changes to New Zealand's political structures have brought about improvements in its ability to represent citizens and tackle social problems. And some of the rather radical restructuring of the 1990s is now contributing to the ability of the government apparatus to solve social problems.

Interestingly, New Zealand's socio-economic strengths and weaknesses are now rather similar to those of Canada. Like Canada, New Zealand has had a number of consecutive years of good economic growth, says Gray. And like Canada, New Zealand continues to struggle with high poverty rates and stubborn problems of social exclusion, despite its strong growth.

Over the next few years, the government of New Zealand will be rolling out a number of programs to attempt to decrease poverty rates and other stubborn social problems, says Gray. They will also be seeking ways to support the voluntary sector in its provision of social services. It will continue to be interesting to compare and contrast social developments in Canada and New Zealand.

Janet Creery is Assistant Editor of Perception *at the CCSD. She conducted interviews with Don Gray by phone to New Zealand, and with Marcel Lauzière and Graham Kelly in Ottawa.*

The numbers eventually revealed that – rather like Canada – the gap between rich and poor expanded substantially over the 1990s. There were many more millionaires at the end of the decade than at the beginning, but the average New Zealander did not benefit.

The editors of *Perception* asked representatives of the four federal political parties: "What social program is most important to alleviate poverty?" Here are their responses.

A New Social Partnership for Canada

by Ken Dryden

Tackling poverty is a complex task – no single level of government and no single policy can do the job alone. Because we know this, the Government of Canada has worked with the provinces and territories to maintain an approach based on three main policy themes that:

- Provide income support to Canadians in need;
- Support the labour market integration of individuals who have the capacity to work; and
- Deliver benefits and services to address particular challenges of some individuals and their families.

To a large extent, these policies have worked for Canada as we have been recognized as a world leader in offering citizens an enviable quality of life. Canada topped the United Nations Human Development Index for seven consecutive years in the 1990s, and has dipped only slightly to fourth place. Our social programs have long been an enduring source of our identity and pride. In terms of successes:

- Canada's retirement income system is held up as an international model. In 1980, 21.3% of seniors were below Statistics Canada's after-tax low income cut off line. By 2003, this proportion had fallen dramatically to 6.8%.
- Through the Canada Child Tax Benefit, the Government of Canada will provide almost $10 billion a year by 2007 to low- and middle-income families. Thanks in part to this benefit, the percentage of children in low-income families has fallen from 18.6% in 1996 to 12.4% in 2003.

But to stand still is to lose. Challenges to our quality of life confront us yet – perhaps none more than the persistent poverty that faces certain groups: in particular, persons with disabilities, Aboriginal Canadians, recent immigrants, lone parents, and unattached individuals over age 45.

Any social partnership for Canada must be grounded in what Canadians stand for: shared community; equality and justice; respect for diversity; and mutual responsibility (the balance between rights and responsibilities). A partnership will also come from, and reflect, a new way of doing social policy in Canada. Fundamentally, we recognize the foundations of good social policy are that:

- Canadians want to be part of the decisions that affect them;
- All governments need to work in partnership – building upon our federal-provincial-territorial collaboration to strengthen our accountability to Canadians in the use of public funds;
- Governments should affirm a clear role for third parties in monitoring social progress;
- Research, knowledge and information are critical to evidence-based decision-making, informed policy development, strong accountability and program planning;
- The Government of Canada needs to bring together all relevant departments and agencies to provide government-wide coherence in its own social policies and programs.

We must build on existing initiatives and explore new directions, and we need a starting point. For example, unlike many other countries that are tackling poverty head-on, Canada does not have a consensus-based measure or definition of poverty. We have a range of measures of low income, all of which are useful but none of which capture the range of factors to measure poverty and, conversely, well-being.

Along with our partners, we need to look at how we ought to measure poverty – better measures can set base lines, indicators and targets. Without them, the best policy mix cannot be developed, implemented and updated, progress cannot be monitored and, ultimately, our success cannot be evaluated.

Fighting poverty with a comprehensive mix of initiatives is the path Canada has followed, and one that we will continue to pursue in the future.

Ken Dryden is the federal Minister of Social Development and Liberal MP for York Centre.

Addressing Child Poverty

by Ed Broadbent

Child poverty in Canada should be a notion of the past. Fifteen years ago in the House of Commons, it was unanimously agreed by all parties that the government would "seek to achieve the goal of eliminating poverty among Canadian children by the year 2000." That did not happen. In spite of strong economic growth and an accumulated surplus of $61 billion over the last seven budgets, more than one million Canadian children still live in poverty.

Throughout the 1990s, we ignored our obligations as a signatory to the Convention on the Rights of the Child. The Swedes, the Dutch, the Norwegians, the Germans, and the Danes, among others, did not. They virtually eliminated child poverty. As the mover of the 1989 motion, I am bedevilled by our failure to act on behalf of our children. It is particularly disgraceful given that the solution to ending poverty is well-known.

The solution to child poverty in Canada is found in a limited number of quite specific programs, including affordable housing, universally accessible early learning and child care, income support through an effective child benefit system, and job and wage security. Almost half of Canada's poor children have parents who worked full-time in 2004. Minimum wages must be raised along with a broadening of the eligibility rules for Employment Insurance, and a strategy for providing jobs at living wages must be developed. The federal government must end its funding disputes with the provinces and establish a national housing program that seriously addresses the social housing needs of thousands of Canadian families. We must also develop strategies for integrating skilled immigrants and persons with disabilities into the workforce, along with an urban Aboriginal strategy.

However, to answer the question of what would be the most important social program the government could either improve or introduce in order to address child poverty, one would have to seriously consider the child tax benefit system. It is the vehicle which, if properly funded, would have the most immediate effect in reducing the depths of poverty and would enable the working poor to stay off social assistance.

The child tax benefit must immediately be increased to $4,900 per child. This measure should be coupled with a commitment to reform Canada's welfare and social service systems through the creation of the Canada Social Transfer (CST). No province in the country provides its welfare recipients with benefits that come near the poverty line. The CST would increase federal funds – separate from funding for post-secondary education, early childhood education, and housing – and implement enforceable principles that would ensure adequate money gets to those in need. This is the key to broader social reforms.

But it would be irresponsible to suggest that a reformed and augmented child benefit system alone would be a panacea to child poverty. Affordable and accessible child care would enable people to train or work in order to get better jobs or leave social assistance. A national child care program would significantly reduce the risk of families falling into the depths of poverty.

Although we can and should learn from other countries, the best policy development must be thoroughly grounded on our own domestic social and political realities. All that is missing today is the political will.

For the sake of our kids, let's get on with it.

Ed Broadbent is the federal NDP Member of Parliament for Ottawa Centre.

Disappearing indicators:

Number of poverty measures currently used in Canada: **6**
Number of official measures of poverty in Canada: **0**
Number of squabbles over the meaning of poverty in Canada: **infinite**

Sources: *Child Poverty in Rich Countries, 2005*, UNICEF Innocenti Report Card No. 6; and *Imagining a Future of Inclusion*, Canadian Council on Social Development, 2003.

Fast Facts - The Disappearing "Just Society"

A Strong Economy

by Monte Solberg

Government plays a key role in ensuring a better life for all Canadians. Sometimes this is done directly through income support or training. Far more often, however, government enhances lives by creating the conditions for attracting investments, jobs and prosperity.

A combination of free markets, strong families and communities, and a strong, sustainable social safety net will better help us meet the goal of "better lives." Clearly achieving better social outcomes is far more important than a slavish devotion to a particular means.

That said, a strong economy is essential for ensuring higher living standards, more and better jobs for Canadians, and ultimately the revenues that sustain social safety nets. It is no exaggeration to say that a robust economy is the single most important element in enhancing overall social well-being.

But a strong economy doesn't just happen on its own. Governments must ensure that the country is attractive to investment. That means, of course, that taxation levels must be competitive. Just as important for attracting investment is good infrastructure and a well-resourced and effective education system.

Obviously a vibrant economy directly helps those who can work, but it also provides huge indirect benefits to the unemployed, the sick and the aged.

When an economy performs at near capacity, wages rise, more people find jobs, and government revenues surge. This gives government the tools to enhance and sustain the social safety net. In this sense, a rising tide really does lift all boats.

There is no question that the Canadian social safety net is in need of some enhancement. This is especially so for low- and middle-income families with children, for low-income seniors, and for Aboriginals.

Families with young children often have extraordinary financial pressures. Children often come along before we hit our peak earning years. Second, it simply costs a lot of money to raise children. Third, a lot of families either choose to or would like to have a parent stay home, at least part-time, to help raise the children. Others want or need to have both parents work, but feel they are no further ahead because of the cost of childcare. The government should play a role in ensuring that families with young children have enough income to help them make the choice that is right for their family.

Seniors are also often constrained by a combination of modest income support programs and a taxation system that bites too deeply into that income. Clearly more needs to be done to improve the take-home income of Canada's seniors.

In some areas, the government's track record has not been good and needs improving. For instance, much more can and should be done to help Canada's Aboriginals, who badly lag behind the rest of the country by just about every measure of social well-being.

As the disaster of Davis Inlet shows, simply throwing money at a problem is not a solution – and may even be part of the problem.

Too often, Aboriginal Canadians receive income support, while having almost no possibility of eventually transitioning to a job. When this is the situation, in native and non-native communities alike, the results are invariably the same: the hopelessness that accompanies unemployment leads to substance abuse, family violence, and a general breakdown of social order.

There are no simple solutions to this complex problem, but Canada's demographic and labour market challenges may provide new opportunities for Aboriginals.

As Canada's baby-boomers near retirement, employers are bracing for a shortage of skilled workers. We must work with Aboriginal leaders, other levels of government, and technical schools, colleges and universities to meet this challenge. We cannot miss this chance to give new hope for a better life to thousands of Aboriginal Canadians.

There aren't any easy answers to Canada's social problems, yet we need not let ideology blind us to solutions and make it more difficult than it has to be.

Monte Solberg is the Conservative Member of Parliament for Medicine Hat.

Poverty in Canada: A matter of government priorities and societal choices

by Christiane Gagnon

On November 24, 1989, the House of Commons passed a unanimous resolution setting the goal of eliminating poverty by the year 2000. Fifteen years later, the situation has still not improved. How can we justify the fact that poverty endures – indeed deepens – in Canada where budget surpluses rose to $9.1 billion for fiscal 2003-2004? According to the Conference Board of Canada, these ever-growing surpluses are expected to bring in an astonishing $166 billion between 2004/05 and 2014/15!

The sheer magnitude of these surpluses leads us to believe that the federal government could have done much more to fight poverty in Canada. How can we not question the priorities of this government and the choices it has made on behalf of Canadians? Judging by the evidence, this government has not been guided by principles of fairness, nor of fiscal or social justice, as it made its budget choices.

Remember that in 1995, the federal government decided to scrap the Canada Assistance Plan (CAP), which was to be replaced the following year by the Canada Health and Social Transfer (CHST). The result? A $48 billion cut in transfers to the provinces and cuts to a 50-50 financing agreement on health and social programs, so that today, federal contributions have fallen to only 20% for health and 11% for education. These major reductions have had profound effects on families, children, and the Canadian public generally.

What remedy could be applied to so many ills?

The problem of poverty, being multi-faceted, requires appropriately wide-ranging solutions, applied in a supple and responsive framework which allows adaptation to the facts on the ground in the provinces, where the needs are. The fight against poverty also requires a long-term vision, rather then the myopic view taken by the current government.

The following measures are at the heart of our political commitment.

On the fiscal front, the federal government must boost the CHST and modify the equalization formula to increase transfers to the provinces.

Thousands of people have fallen victim to changes in the Employment Insurance (EI) system, so that fully 55% are excluded. Drastic changes are required if EI is to return to its function of being a genuine insurance system, administered in a way that corresponds to reality and the job market.

If the damage done by the federal government's disengagement from social housing is to be repaired, a progressive re-investment must be undertaken over a three-year period until the program is funded at a rate of $2 billion annually.

Coherent family policies – including low-cost, high-quality daycare services – also have an important role to play in reducing poverty. Quebec has seen a drop in poverty compared to other provinces, a decrease almost certainly related to its exemplary daycare system. Quebec's daycare system has been in operation since 1998, and its success can be attributed to the fact that it was built in accordance with the principles of the social economy.

In its last budget, the federal government once again attempted to insinuate itself into an area of provincial jurisdiction by proposing to create a national daycare system at a cost of $5 billion over five years. The amounts involved are obviously insufficient, given that Quebec alone invests $1.4 billion annually in its program. For this reason, Quebec has demanded the right to opt out of this program with full compensation.

Social policies are absolutely essential to ensure the kind of balanced approach that will allow us to progress towards a more equitable society. All that is missing now is the political will to put an end to a social deficit that grows larger and more alarming with every passing year. Fighting poverty is a matter of choice! We must lead the fight resolutely, never fearing to "tell it like it is" and drawing our inspiration from the women, men and children who suffer every day in their own struggles with poverty.

Christiane Gagnon is a Member of Parliament for Québec and Social Development Critic for the Bloc Québécois. She is Second Vice-President of the Standing Committee on Human Resources, Skills Development, Social Development and the Status of Persons with Disabilities (HUMA).

Universality of Social Programs versus Targeting: Either neither, or both

by Richard Shillington

I would like to compare the evolution of two types of social programs in Canada over the last two decades: programs for seniors and those for children. Twenty years ago, the seniors' benefit system was styled very much like the system for children – some components were universal, providing a modest amount of assistance to all who were seniors (or parents), and there was an income-tested portion which provided additional income support for lower-income families.

I would argue that these programs nicely balanced a variety of policy objectives: anti-poverty yes, but also tax fairness for parents.

The seniors program has changed little; now, the child benefit system is being marketed primarily as an anti-poverty program.

SENIORS

Among the range of seniors' programs is Old Age Security (OAS), which goes to virtually all seniors. This program provides the same amount to all, but it is reasonably progressive since the revenue received is subject to income tax.

The Guaranteed Income Supplement (GIS) is a program of targeted benefits based on family income, with the maximum benefits going to low-income seniors. In addition, the Canada Pension Plan and Quebec Pension Plan (CPP/QPP) provide a basic pension for all retired Canadians who have been employed.

Over the last 20 years, the seniors' programs have maintained their purchasing power because they have been indexed to inflation. The government also recently announced increases to GIS – the first increase beyond inflation adjustments in 20 years.

So while the system for seniors works very well, it does have some problems.

Hundreds of thousands of seniors are eligible for benefits provided by the OAS, GIS and CPP programs – particularly the survivor benefits – but they do not receive them. These seniors – overwhelmingly women – may be unaware of their eligibility for this income, so they have not applied for the program benefits.

For example, there are 50,000 Canadians over age 70 who are entitled to, but have not applied for, their CPP retirement benefits.

In Quebec, by contrast, there are virtually no seniors missing out on their benefits under the Quebec Pension Plan. That's because Quebec's civil service takes a proactive approach by mailing application forms, several times, then following up with phone calls and personal visits to ensure that any senior who is entitled to QPP benefits actually receives them. (For individual stories, see www.shillington.ca/benefits/CPP_benefits/cpp_benefits.htm.)

There is also room for improvement in the design of federal seniors' benefits. Income testing of the GIS is severe, and makes futile much of the savings of those seniors who receive GIS. Remedies for this could include an income exception for GIS, provisions for tax savings plans, or a return of the Investment Income Deduction. As long as these disincentives to savings are largely unknown, there is little political motivation to improve the regulations. (For more on this, see also www.cdhowe.org/pdf/backgrounder_65.pdf.)

Several years ago, seniors demonstrated their social cohesion and political power by mounting opposition to the proposed "Seniors Benefit" which would have eliminated the universal nature of the OAS, eliminated support going to many women in their own name, and created a program which was purely a targeted benefit.

CHILDREN

Twenty years ago, the benefit system for children included a universal Family Allowance payment (the "Baby Bonus") which provided taxable benefits that declined with family income, a tax deduction for all tax-paying parents, plus an income-tested benefit for lower-income families (the Child Tax Credit). The modest Child Tax Deduction – which was turned into a non-refundable credit in 1986 – helped reduce the taxes of parents in comparison to other tax-

payers without children. By doing so, the program recognized that the income tax burden should be based first on "the ability to pay," then the cost of parenting would be acknowledged.

Subsequent changes to the child benefit system have only managed to assist poor families who are not on welfare.

The implementation of a clawback for the Child Tax Benefit (CTB) – "targeting" the benefit – has been used to divide some poor families from others. In most provinces, the clawback has meant that poor families on welfare have not received any additional support, because increases in the federal child tax benefit were immediately offset by cuts to provincial social assistance or welfare payments. So the poorest of children were excluded from any increase in income support.

The exclusion of welfare families from increased benefits has a long history. Each federal budget from 1985 until 2001 has excluded welfare parents from any increase in support. By excluding the families on welfare, this "anti-poverty" program disproportionately left out poor single mothers, Aboriginals, and people who are on welfare due to a disability.

The clawback of child benefits was thrust upon welfare families against their will and without their consent, demonstrating, once again, their political marginalization. Elites took little notice of their sense of betrayal. The CTB could have been part of a package designed to address the problems of income adequacy for those on welfare, but policy-makers chose not to do so.

The present child benefits system also fails in terms of basic tax fairness. The targeting of child benefits means that higher-income families get no tax recognition for the fact that children affect one's "ability to pay," and low-income families on welfare have the benefit clawed back. The only families getting more support than they did before are the working poor. The current system pays only minimal benefits to parents with incomes of $60,000 – a fairly typical income for families with children.

The effect of this has been that children living on welfare – disproportionately those living with lone-parent mothers, or those with a disability, or Aboriginal families – are now worse off than before.

Far better would be a program structured more like seniors' benefit system. Such a system would include reasonable levels of support for all parents, some based on tax principles and some based on a desire to assist poor families – including those on welfare.

SUMMARY

One of the most obvious trends in social policy evolution over the last 20 years has been the shift away from universal programs towards targeted programs. Some people even question whether there is any role for universal programs in today's public policy. To them, I would ask: Aren't there important social policy objectives beyond an anti-poverty objective? If our sole objective is poverty reduction, then how can we exclude those on welfare?

Richard Shillington is self-employed and conducts research on social and economic public policy.

Disappearing adherence to international standards:

Number of OECD countries studied by UNICEF with child poverty rates* lower than Canada's: **18 of 26**
Number whose social transfers related to family economic security are higher than Canada's: **18**

Social expenditures as % of GDP in 2000:

Canada:	**17.3%**
United Kingdom:	**21.3%**
France:	**28.3%**

Percentage-point change in social expenditures as % of GDP, 1990-2000:

Canada:	**– 1.3%**
United Kingdom:	**+ 1.8%**
France:	**+ 1.7%**

* Defined by UNICEF as a child living in a family with less than 50% of median after-tax household income, for a year between 1999 and 2001.
Source: *Child Poverty in Rich Countries 2005*, UNICEF Innocenti Report Card No. 6.

Fast Facts – The Disappearing "Just Society"

New challenges in social development: Montreal, a case study

by Geneviève Giasson, with assistance from Marcel Cajelait and Jacques Savard

MONTREAL: CURRENT SITUATION

Like other major Canadian cities, Montreal faces significant challenges in dealing with problems of poverty and social exclusion among its citizens. Despite the economic growth of recent years, no significant improvements have been made in the living standards of a large proportion of city inhabitants. The following data[1] show how widespread the problem of poverty is in Montreal and some of its particular characteristics. According to the data, in 2001:

- Average household income in Montreal was $40,848.
- Montreal had Canada's highest concentration of low-income residents – roughly 35% of Montrealers lived under Statistics Canada's low-income cut offs (LICOs).
- Although about 25% of people in the province live in Montreal, the city accounted for nearly 35% of the province's Employment Insurance (EI) recipients. Of these, nearly half were immigrants.
- 45% of renter households on the Island of Montreal devoted more than 30% of their household income to rent.
- 26% of Montreal's population are immigrants to Canada, and one-quarter of these are recent immigrants.
- In 2001, approximately 28,000 people accessed the city's resources for the homeless.

THE TRANSFORMATION OF DOWNTOWN NEIGHBOURHOODS

Although the phenomenon is less acute here than in some other large North American cities, Montreal has witnessed rapidly escalating real estate prices over the last several years and an accompanying crisis in rental housing. The problem is particularly serious in centrally located neighbourhoods, which are often home to relatively underprivileged residents. The situation puts considerable pressure on low-income households; it becomes increasingly difficult to find suitable lodgings, with people being forced to move to the periphery of the city, far from the services intended for their benefit.

The south-west neighbourhood of Montreal is a perfect example. Originally a working-class neighbourhood built around the Lachine Canal and factories, some areas of south-western Montreal have become gentrified over the last five years, largely as a result of the re-opening of the Lachine Canal to recreational watercraft. Several condominium-style developments have sprung up along the waterway, leading to a rapid transformation of area businesses and services. Underprivileged residents living in the area and the groups which speak out on their behalf have witnessed this transformation, but they have not been given any real opportunity to ensure that the needs of lower-income residents will be considered as the neighbourhood changes and evolves.

CONCENTRATION OF THE UNDERPRIVILEGED

Unfortunately, poverty remains relatively concentrated in Montreal, and this tendency seems to be increasing. In 2002, drawing on a study entitled *Indice de défavorisation matérielle et sociale* that was developed by Robert Pampalon and Guy Raymond,[2] the City of Montreal created a map showing intervention-priority zones[3] – of which, 21 zones were identified as having high concentrations of underprivileged residents. The map has since been adopted by the Government of Quebec, and by other regional partners such as Centraide of Greater Montreal and the Montreal school board, for future use in planning targeted interventions. The highlighted zones are usually areas where a variety of problems intersect, such as decaying infrastructure and public services,

dilapidated housing, a lack of quality food resources, higher crime rates, and multiple public health issues, and where residents in the area tend to have lower levels of education, higher unemployment rates, limited access to cultural resources, and the like.

A 1999 study by Séguin[4] demonstrated that even in areas characterized by a high concentration of underprivileged citizens – that is, areas in which over 40% of the inhabitants fall into this category – the resident base is still far from homogenous. Despite a confluence of problems in these areas, such zones are still home to many workers, two-parent families and people with high levels of education. Séguin links this phenomenon of social mixing to the presence of universal government programs, which have, in Montreal as elsewhere in Quebec, ensured a certain amount of wealth re-distribution and a corresponding equity in resource accessibility among area residents.

A NEW SOCIAL DEVELOPMENT ROLE FOR MONTREAL

Montreal's municipal structure has changed in significant ways since 2001, with more changes on the way. The previous provincial government amalgamated municipalities on the Island of Montreal, resulting in a highly decentralized city made up of 27 districts. Early in 2004, however, referendums on de-amalgamation were held in several of the former municipalities, leading to reversals in eight districts. These are to be reconstituted as full-fledged municipalities by January 2006.

At the same time, the city has been entrusted with a new role in the field of social development. Two pieces of legislation – a law on restructuring the municipal territorial distribution of Montreal, Quebec and Gatineau *(Loi portant sur la réforme de l'organisation territoriale municipale des trois régions métropolitaines de Montréal, de Québec et de l'Outaouais)* and a law amending the charter of the City of Montreal *(Loi modifiant la Charte de la Ville de Montréal)* – stipulate that Montreal must establish a social development action plan. Now, for the first time, social development has been specifically identified as an area of municipal responsibility – a milestone in that it marks official recognition of Montreal's long-standing commitment to its residents.

Social development is defined here as fostering the conditions which allow individuals and communities to develop to their full potential, to participate fully in communal life, and to access their fair share of collective growth.

PARTNERSHIPS BETWEEN MONTREAL AND THE CCSD

The City of Montreal has been a municipal member of the Canadian Council on Social Development for several years now. In 2004, the City and the CCSD jointly led an initiative to create an informal working group of major Canadian cities in order to advance discussions about municipal roles and strategies with regard to social development. The first meeting of the group took place in June 2004 in Montreal, with the second meeting held in Toronto in January 2005.

At the same time, the municipality was launching a Montreal consortium for the Community Social Data Strategy (CSDS), another CCSD initiative. And in November 2005, Montreal will co-host with the CCSD the Annual Consultation of Social Services Administrators, which brings together decision-makers from every region of Canada for exchanges on perspectives, challenges and best practices.

With its new role in the field of social development, it is increasingly important for Montreal to better understand the issues affecting social development in Canada – particularly in the urban environment – and to better understand strategies used by other cities and provinces in the fight against poverty and inequality. Innovative approaches from across Canada could prove useful as Montreal grapples with problems that are often surprisingly similar to those found elsewhere. And with its track record as an independent research organization and a reliable defender of the underprivileged, the CCSD is an appropriate channel to help foster exchanges among Canadian communities in this area.

MONTREAL'S SOCIAL DEVELOPMENT ACTION PLAN

The task of putting the city's first social development action plan into place was entrusted to the *Direction de la sécurité du revenu et du développement social*, an office of the *Service du développement culturel et de la qualité du milieu de vie*. Currently under development, the action plan is meant to blend seamlessly into the fabric of the city's activities, and it aims to foster greater consistency in interventions between the districts and corporate services, in order to better serve city residents. Currently at the ratification stage, the proposed plan may be finalized as early as autumn 2005.

Given the poverty issues facing Montreal, the action plan will feature initiatives aimed at fighting poverty and social exclusion, in addition to proposing new modes of service based on a holistic and fully integrated vision for development of the municipal environment. This kind of approach requires the contributions of various stakeholders and suggests the pooling of expertise and resources to more effectively address factors linked to poverty and exclusion.

In order to bring about these goals, the Montreal social development action plan sets out three major guidelines. Initiatives will:

1. Encourage approaches that are well-orchestrated, fully integrated and area-based;
2. Contribute to the reduction of social inequalities;
3. Encourage civic participation.

ISSUES RELATED TO MONTREAL'S NEW ROLE

Montreal's entry into the field of social development raises several issues of interest.

The first issue, obviously, is the dependence of cities on other levels of government, not only in terms of funding but also with regard to the laws which regulate a municipality's scope of action. While Montreal has clamoured for years for recognition of its distinctiveness and the major role it already plays in regional and local development, the city is still largely dependant upon the decisions and fund transfers of other levels of government. Since 2002, there has been a contract between the provincial government and the city which stipulates the transfer of five million dollars per year over a two-year period.[5] As a result, the city has become a dispenser of funds to several community organizations which then offer services directly to the public. Once this two-year contract comes to a close, however, how will the municipality be able to respond to the expectations of organizations and the public, and ensure that projects continue? How much leeway will the provincial government give the City of Montreal in responding to its social development needs?

A second concern is that the changes required to implement the social development action plan – both in terms of how things are done and how responsibilities are shared – are not minor. Bringing about these changes will necessarily entail overcoming significant resistance. The move towards an integrated approach will require firm commitments from several partners, notably public-sector partners whose activities are

generally not well integrated and whose interventions are often poorly adapted to a particular context. Implementation of the social development action plan will also require a sharing of expertise and decision-making power. These kinds of changes cannot be made without the leadership of political and administrative decision-makers and the involvement of stakeholders in different sectors. And integration must not only be horizontal, but vertical as well. Which activities should fall within the purview of each level of government: national, regional and local? In other words, who decides what? What mechanisms must be in place to ensure that the different levels coordinate effectively?

Thirdly, an area-based approach is of interest because it allows a concentration of resources and action in a given location, bringing more pressure to bear on local issues of poverty and social exclusion. It also allows better coordination of various interventions and the optimization of results. Such an approach fosters a greater degree of harmonization between the needs of a particular area and the actions taken in response. But an area-based approach is also somewhat inequitable in that it does not offer the same opportunities to those living outside a priority area as it does to those living within the area. Area-based interventions should therefore be considered as a "value-added" strategy that complements a broad set of universally applied measures. How, then, should specific and universal measures be coordinated? How can certain undesirable effects be avoided, such as the gentrification or the stigmatization of underprivileged areas? How can we ensure that we keep watch over the entire area?

A final issue concerns the strengthening of local communities. How should community efforts be guided, equipped and supported so that local stakeholders – including underprivileged residents – are kept involved in both the identification of needs and the implementation of collective action to improve their quality of life and living conditions? How can we ensure that, whatever its initial degree of empowerment, each community has access to resources? How can we ensure that decisions made at the local level translate into concrete projects with sufficient financial support from regional and national authorities?

CONCLUSION

Now that official recognition of the city's role in social development has been granted, will Montreal also be given the instruments and the discretion it will need to effectively carry out its new mission? This remains a critical question.

Certain agreements[6] developed over the last few years between the government of Quebec and the municipality have tended towards a type of "co-management" of some provincial funds allocated to the fight against poverty. These have been only short-term, limited agreements, however, always subject to an after-the-fact rendering of accounts based on mutually agreed-upon criteria. This kind of framework does not favour the development of an integrated regional strategy in which the city would be one of the key stakeholders.

The next few years will likely prove decisive for the future of social development at the municipal level in Quebec. Determining answers to the questions raised above should allow a better framing of the municipal scope of action and roles of the various stakeholders. The unfolding of Montreal's first action plan on social development remains an exploratory venture.

Geneviève Giasson, Marcel Cajelait, and Jacques Savard are Community Development Advisors with Direction de la sécurité du revenu et du développement social, Service de la culture et de la qualité du milieu de vie for the City of Montréal.

1 Data from Statistics Canada's 2001 Census.
2 Pampalon R. and G. Raymond (2000). "Un indice de défavorisation pour la planification de la santé et du bien être au Québec," in *Maladies chroniques du Canada*, 21(3): 113-22.
3 *Carte des zones prioritaires d'intervention et de revitalisation urbaine*, Ville de Montréal, 2002.
4 Séguin A.-M. "Les espaces de pauvreté," in *Visages et défis d'une Métropole*, 2001: 221-236.
5 Due to delays in negotiations, in 2005 the City of Montreal implemented the second-year segment of the contract, the portion aimed at fighting poverty and social exclusion.
6 *Ententes sur les Quartiers sensibles: contrat de ville – volet lutte contre la pauvreté et l'exclusion sociale.*

When Taxes are Good

by Jim Stanford

George W. Bush has made the privatization of the U.S. public pension system the legacy issue of his second term. He has warned that Social Security (the equivalent of our Canada Pension Plan) is "headed towards bankruptcy," and pledged to begin dismantling it – by creating individual retirement accounts for younger workers, instead of guaranteed public pensions.

Bush's red flag about Social Security bankruptcy is about as believable as his claims that Iraq had weapons of mass destruction. Indeed, it serves exactly the same purpose: scaring Americans into radical actions they wouldn't otherwise consider. In reality, the U.S. system has $1.5 trillion in reserves, and a surplus of $150 billion per year!

But Bush's team turns these numbers on their head with funny-money accounting gimmicks. By projecting the balance sheet into an infinite future – a technique that must sit uneasily with those fire-and-brimstone Bush supporters who believe the apocalypse is coming – and allowing no increases whatsoever in premium rates, he claims Social Security actually faces an $11 trillion shortfall. His proposed solution – converting assured public pensions into individual RRSP-style accounts – won't save money. In fact, it will cost trillions during the transition, and it will be a huge gift to a financial industry drooling at the prospect of managing all those individual accounts.

Every time America embarks on some new radical adventure – such as cutting taxes, deregulating industries, or slashing social benefits – there's usually a loud and loyal cheering squad here in Canada, urging us to follow suit. This time, however, the silence from our own right bench is deafening, and likely to remain that way. Why?

First of all, the big bankruptcy scare won't carry any weight in Canada. The Canada Pension Plan has a rock-solid financial footing that's the envy of actuaries around the world. Current contribution rates (about 10% of qualifying payroll, split equally between workers and employers) are considered sustainable – even to Bush's infinite time horizon.

Canadian actuaries and pension planners have lots of reasons to lose sleep these days: the volatility of millions of RRSP accounts, for example, or the sustainability of private pension plans. But the bankruptcy of the CPP is not one of them. In fact, it's about the only thing in Canada's pension system right now that we can rely on.

I think there's another, deeper factor, however, which will also prevent Bush's manipulative pension gambit from catching on up here. U.S. Social Security could be made as fiscally sound as our own CPP with only modest increases in premium rates, phased in sometime over the next couple of decades. In America, thanks to the vested economic and cultural power of the very rich, the idea of proposing an increase in taxes to fund a universal public program – even one that has successfully lifted 40% of American retirees out of poverty – seems to be a non-starter. Here in Canada, on the other hand, we've already done it: with no muss, and almost no fuss.

CPP premium rates increased by over 50% between 1998 and 2003, when the federal and provincial governments struck a deal to solidify the plan. There was some requisite winging from business lobbyists about the nefarious impact of payroll taxes. (Meanwhile, even as CPP premiums were rising, Canada's job-creation record was matching, and now surpasses, that of the U.S.) From individuals' perspectives, it's hard to imagine that many even noticed the increased premiums, which captured an extra 1.75% of qualifying earnings, and just 0.5% of total personal income. But I bet they notice and appreciate the fact that at least one piece of their retirement puzzle is in place, especially the more they read about the latest escapades of private-sector financial icons like Nortel and Stelco.

The increase in CPP premiums was so positive to the long-run stability of that plan, and so beneficial to the well-being of run-of-the-mill Canadians, that I humbly suggest we do it again. Let's increase total premiums by a similar amount over the next five years – not to stabilize the system this time, but rather to finance its

expansion. After all, the existing CPP is designed to replace only about 25% of an average worker's pre-retirement income. Why don't we modestly increase that replacement rate, and also lift the maximum earnings ceiling? We could do that with further premium hikes no worse than the ones we've already digested.

There's no pension alternative in Canada that's as efficient, portable, and secure as the CPP. Here are some of its greatest strengths:

- 4.5 million Canadians currently receive CPP pensions, worth $24 billion per year.
- The average elderly family receives $20,000 in public pension income (including OAS, GIS, and CPP) per year, representing over 40% of their total income. The average unattached elderly Canadian receives $13,000 in public pension income per year, representing over half of their total income.
- Two-thirds of elderly Canadians receive total annual income of $25,000 or less. They get three-quarters of their total income from public pensions. Without public pensions, these retired Canadians would fall deep into poverty.
- Despite rate increases since 1998, CPP premiums (9.9% of pensionable earnings) are still the lowest of any major industrialized country – even lower than those of the U.S. (at 12.4%).
- CPP administration costs equal about half of one per cent of the plan's assets. That's far less than private pension plans or mutual funds.
- Some CPP benefits are almost unheard of in private plans – like portability and full indexing.
- The CPP, in conjunction with the other public pension programs like OAS and GIS, is an incredible success story in reducing poverty among seniors. In 1980, 34% of elderly Canadians lived in poverty; by 2001, only 17% lived in poverty. In 1980, elderly Canadians were twice as likely as other Canadians to be poor; by 2001, they were *less likely* to be poor than those under age 65.

We increased CPP premiums to stabilize this valuable plan, and hardly noticed the effect, so let's have more of the same. George Bush won't celebrate. But Canadians could pop the champagne corks over this example of how we make our lives a little better, by agreeing to pay a little more in tax.

Jim Stanford is an economist with the Canadian Auto Workers. A version of this commentary appeared in the Globe and Mail.

Fast Facts - The Disappearing "Just Society"

Disappearing economic equality:

Percentage change in earnings, 1990-2000:
- for families in the highest 10% of income earners (above $100,000): **+14.3%**
- for those in the middle-income bracket ($46-$55,000): **+0.3%**
- for those just below middle-income ($37-$46,000): **–0.7%**

Low-income rate among recent immigrants, 2000: **35.8%**
Increase in low-income rate of recent immigrants, 1980-2000: **45.5%**

Working-age immigrants with a university degree: **40%**
Working-age Canadian-born with a university degree: **23%**

Percentage of renters who could not access adequate housing, 1991: **26.6%**
Percentage of renters who could not access adequate housing, 2001: **30.4 %**

Sources: Statistics Canada, *2001 Census*; analysis of 2001 Census data by the Canadian Council on Social Development; and Statistics Canada, *Trends and Conditions in Census Metropolitan Areas*, 2005.

The Canada We Want?

by Al Hatton

"Model nation, world conscience, the country that protects its citizens from the cradle to the grave."[1] Canada? Once maybe, but this is actually a description of Sweden, just one of the countries that have supplanted Canada at the top of the United Nations' Human Development Index over the past few years.

Why is that? Is our economy faltering? Not according to experts who describe Canada's economy as robust. Have Canadian values changed fundamentally? Research shows a shift in Canadian values but toward greater progressiveness. So what's the deal?

No doubt Canada, like the rest of the world, has experienced dramatic changes over the past 60 years and not necessarily those we were expecting. Remember predictions of a paperless society and increased leisure time? Neither has materialized. But there have been other changes:

- In a globalized world of open economies, the market rules and it is the lens through which all aspects of our society are assessed.
- Demographically, our population is aging, exceptionally diverse and highly urban.
- The Aboriginal population has tripled and become more urbanized.
- Two parents with two-and-half kids and a station wagon is no longer the family norm. Single parenthood is common and in most families with two parents, both work full-time.
- We have moved from an industrialized to a knowledge-based and service sector economy.

During this same period, we have witnessed the ebb and flow of government investment in our society. The 1950s to 1980s was an era of social experimentation and innovation. The effects of economic recession and a focus on the debt and deficits led to a continuous series of program reviews and cuts to social programs and services, gradually unravelling the social safety net so carefully constructed throughout the mid 20th century.

The results are well researched and documented – greater disparity and social exclusion. Study after study has shown increased polarization between the rich and poor. Despite global opportunities, healthy economies and lower unemployment, our employment environment is increasingly characterized by greater insecurity, underemployment and a growing number of working-poor.

Although they don't tell the whole story, here are some disturbing Canadian statistics:

- 700,000 households are in severe housing need, spending more than half of their income on rent;[2]
- Canada's First Nations people living on reserves rank 78th on the United Nations' Human Development Index;[3]
- The number of children living in poverty rose by 402,000 since the government pledged in 1989 to eradicate child poverty by the year 2000;[4]
- The poverty rate among recent immigrant children was 42.4% in 2000;[5]
- Children in low-income households have a 200% greater chance than the general population to have low levels of vision, hearing, speech, mobility, and dexterity.[6]

As governments cut back, they seemed to hold the belief that communities could "pick up the slack" and assume the roles that government had performed. The problem is that today's communities bear little resemblance to post-World War II Canada. A complex set of reasons, beyond the focus of this short article, have contributed to this state of affairs, including globalization, technological advances, urban sprawl, changes to family structures, and the like. For these and a myriad of other reasons, the result is that communities have less capacity to deal with a more complicated set of issues than they once had. Non-governmental

organizations have multiplied to try to fill the void – an increase of over 10,000 new charitable organizations in a decade. But they, too, are bending under the weight of pressing social issues and fierce competition for stretched public and private resources.

Yet Canada is not the only country to have been buffeted by the choppy waters of the late 20th century. Others, however, seemed to have faired better, adapting more quickly to the new world order and changing their policies and practices to address contemporary issues in innovative ways.

I refuse to believe that Canada lacks the ingenuity, creativity and will to reclaim its place as the best country in the world. This is not about competition. It is about being the best we can be, with a healthy population living in a safe, clean environment. But in order to get there, we need to heed calls for a new social architecture – for a fundamental reassessment of our social policies. We need to engage Canadians in a dialogue about the future and to be bold in our social innovation while securing our core social assets and economic well-being. The time for tinkering is long past.

The Canadian Council on Social Development is asking us a fundamental question: "What kind of Canada do we want?" I have my answer: "Model nation, world conscience, the country that protects its citizens from the cradle to the grave."

Al Hatton is President and CEO of the United Way of Canada.

1 Sweden. *The Official Gateway to Sweden*. (www.sweden.se)
2 Canadian Housing and Renewal Association. (www.chra-achru.ca/)
3 NCA. *Community Action Guide*, 2004
4 *Report Card on Child and Family Poverty in Canada*, November 2002, pg. 2
5 Campaign 2000. (www.cmapaign2000.ca/quiz2/a5.htm)
6 Ibid.

Disappearing commitment to gender equality:

Percentage-point decrease in women eligible for EI benefits following cuts to the program in 1995-98: **6**
Percentage-point decrease in men eligible: **1**

Unemployed women receiving EI in 2001: **33%**
Unemployed men receiving EI in 2001: **44%**

In 2003:
Women's earnings as a percentage of men's: **70.5%**

Women in Canada who are poor: **17.1%**
Men who are poor: **14.7%**

Female lone-parent families living in poverty: **48.9%**
Male lone-parent families living in poverty: **20%**

Sources: Armine Yalnizyan, *Canada's Commitment to Equality, A Gender Analysis of the Last Ten Budgets*, 2005; and Statistics Canada, *Income Trends in Canada 2003*, 2005.

Fast Facts - The Disappearing "Just Society"

Disappearing dispersal of economic gains:

Since 1997, Canada's rank in the G-7 in terms of economic growth: **#1**

Annual surplus in the EI account, 1996/97:
$7.5 billion
Total surplus in the EI account, by 2004: **$46 billion**

Year the deficit was eliminated: **1998**
Proportion of surplus that federal government promised to devote to restoring spending programs once deficit was eliminated: **50%**
Proportion they have devoted: **10% to 25%**

Sources: Armine Yalnizyan, *Canada's Commitment to Equality, A Gender Analysis of the Last Ten Budgets*, 2005; Canadian Centre for Policy Alternatives, *Alternative Federal Budget 2005 – Budget in Brief*; and Report of the Standing Committee on Human Resources, Skills Development, Social Development and the Status of Persons with Disabilities, *Restoring Financial Governance and Accessibility in the Employment Insurance Program: Part One*, 2004.

Fast Facts - The Disappearing "Just Society"

2005 Weiler Award Winner

As a young man, Michael Goldberg sold encyclopaedias and Fuller brushes. And as strange as it sounds, this year's Weiler Award winner says that experience helped prepare him for his years as a leader in British Columbia's social development arena.

"I learned that you need to know your product if you are going door-to-door," he says. "If the goods are useful, you can ask people to buy in. And I also learned that if you don't ask, you never get."

Of course the "goods" are different these days.

As director of research at British Columbia's Social Planning and Research Council (SPARC), he has been in the thick of hundreds of social development initiatives. He has done research and advocacy, been involved in extensive community consultations, and designed innovative programs.

"Primarily I am a researcher," he says. "But I straddle those worlds of research and the real lives of people. It is something I learned many years ago studying social work."

Public education holds a special place in his heart. Goldberg has spent a good part of his career "selling" the message of the importance of social programs. He has been a leader and spokesperson on issues such as child care, housing and homelessness, income supports and capacity building in the voluntary sector. His audiences have included government and community leaders, as well as the general public through the media.

Radio and TV programming in British Columbia is a competitive field. Opinionated hosts and a sometimes hostile audience have made the prospect of an on-air experience too intimidating for many in the social development sector. But it is a challenge Goldberg relishes, and his earthy eloquence and skill at making complex issues relevant have made him a popular guest.

"I really enjoy call-in shows," he says. "You get a sense of what the public thinks on the issues being discussed." But more than that, he sees it is as a vehicle for public education and a reality check for developing clear arguments for the role of effective social programs.

"Sometimes we are not as clear as we need to be," he says of the social development community. He learned a lot from his time in England during the Conservative era of Prime Minister Margaret Thatcher in terms of developing straightforward arguments that resonate with the public.

"I have done a lot of shows on welfare reform and while some listeners take a stereotypic view, and others feed into that stereotype, I have also heard listeners begin to understand and actually say that the discussion changed their mind on that issue."

"Michael is a person whose life and work have been driven by a strong sense of social justice," says Steve Kerstetter, a research associate with the Canadian Centre for Policy Alternatives. "People who know him see his devotion to principle in everything he does."

That devotion is also evident in his work as a founding member of a group known as First Call, the B.C. Child and Youth Advocacy Coalition. "I am optimistic that child poverty will be eliminated," he says. "As we age as a society, our children will become more precious to us."

He points to important policy changes such as the National Child Benefit that have begun to make a difference in dealing with child and family poverty. "But progress is something you make with a great deal of difficulty. Anything that is substantive is very long-term in coming."

If there has been progress, Goldberg deserves some of the credit, say people who have worked with him.

"He helped craft a cutting-edge vision for children and youth that is espoused, at least in principle, at all levels of Canadian society," says Ruth Annis, executive director of Pacific Community Resources which provides a variety of services to children, youth and families. "He continues to provide the inspirational leadership we need to move towards implementing this vision."

Michael Goldberg will receive the 2005 Weiler Award at the Social Welfare Policy Conference in Frederiction in June.

Weiler Award

The Weiler Award is presented annually to recognize the exceptional contributions of individuals or groups to community and social development in Canada.

The Award is named after the late Dick Weiler, whose work at the CCSD and a host of other organizations promoted enlightened policies, programs and creative partnerships as a way of helping Canadians to participate more actively in society. His innovative work in the fields of social justice, community development and literacy was a tangible expression of his belief in human dignity, tolerance and security. The passion of his convictions, coupled with a belief that nothing of a lasting or worthwhile nature could be done alone, helped him unite a legion of people and organizations in a common cause.

According to Dick Weiler, "It is not someone else's responsibility to tackle our social problems and injustices. It is up to us. We will have to learn how to develop meaningful partnerships, because if we work together, support each other, and don't quit, we *can* make a difference."

For more information about the Weiler Award, please go to **www.ccsd.ca/cswp/weileraward/**, or contact:
Weiler Award Trust Fund
c/o #1001, 44 Emmerson Avenue
Ottawa, ON K1Y 2L8

The future of Canada's social programs?

"Canada is sorely in need of a social program that will help families take care of their aged parents.

Institutionalization of infirm elders is absolutely not the answer. It leads to over-medication (to ease the burden of staff) and learned helplessness, and it is impersonal and unloving at best. At worst, it is abusive and shortens the lives of "patients".

Caregiving is a full-time job, yet there is no funding to support the family caregiver – who may be forced to give up employment to care for a much-loved parent during his or her last years.

As people age, their physical and mental functions deteriorate and their worlds get smaller and smaller. Our parents deserve to be with their families in these final years. How about a program that allows families to live with their parents, yet have daily home/personal care available on site?"

E-mail from Brenda Belokrinicev, Edmonton

In Their Own Words

Representatives of CCSD member organizations speak out about the impact of the last decade's changes to Canada's social programs, they assess the current state of affairs, and suggest ways to repair the torn social fabric.

From left to right: Maureen & Angie (practicum students), Kim, Sherrill & Lee-Ann (volunteers), Tanya, Marge (welfare advocate), and Rosanne (tenancy advocate).

The **Terrace Anti-Poverty Group Society** serves a vast, isolated area of BC's pacific north-west, which includes nine Aboriginal reserves and a number of smaller communities. Its mission – "to ensure the fair and equitable treatment of all persons, regardless of income level, social status and physical ability" – has become increasingly difficult to fulfill. Softwood lumber disputes in the late 1990s and other economic forces led to the closure of lumber mills which had been the main drivers of the local economy.

Tanya Gauvin has worked with the Terrace Society for five years, two of them as Executive Director, before going on maternity leave in February. **Kim Besharah** is now Program Coordinator for the organization.

THE IMPACT OF CHANGES TO SOCIAL PROGRAMS AND POLICIES OVER THE LAST DECADE

Tanya

We definitely noticed an increase in the number of people seeking our services, and we became the *only* place in Terrace that could offer *any* services. Legal aid was cut, so we were advocating for mothers who had had their children taken away from them.

The changes to welfare came just as I was taking over the Executive Director position, and it was also around the time that we lost quite a bit of our own funding. We were trying to provide twice as many services on less money.

The biggest impact on our agency was a provincial review of people receiving disability benefits. Every single person had to fill in a new application – which was 23 pages long! Hundreds and hundreds of people came in, some in tears. The advocate was swamped.

The province also considered reviewing people with mental illness as well, but the people became so stressed out that the government decided to drop the idea.

Single parents on social assistance took the worst hit from the welfare cuts. Shelter costs – which were already insufficient – were cut back further. We noticed a lot of evictions, and people started to room together. Then many of them were investigated for having common-law relationships.

Child care subsidies were also cut at that time, and you weren't allowed to keep any earnings on top of your welfare. I don't see the sense in that. When I was a single mother on welfare, I had four part-time jobs. There was some incentive when you could earn a bit extra to help you catch up. That's not available anymore.

People who were already feeling beaten down definitely experienced some health issues. I think the kids' health went downhill as well, and a lot of the school lunch and breakfast programs were cut.

Some services were still available, but if you didn't know the Ministry well or the specific program, they were very difficult to find.

It was pretty scary here for a while. The good thing was that when people yelled loud enough, the provincial government backed down and reinstated some programs. They had been hoping to cut the number of people on disability, but they ended up with significantly more.

Community groups found some other sources of funding. In a sad way, that was the upside of the cuts: it made the community more responsible for its own members. It became more important than ever for community members to work together and with the municipal government to make sure that everyone had their basic needs met.

But we've been hanging on by our fingernails for the last few years. We're not considered a priority right now. It's really frustrating because we can show the need, but the province isn't responsive because those were the things they were trying to cut.

CURRENT STATE OF AFFAIRS

Kim

Since the limit for a single mother on social assistance is now two years, we have some very young mums who haven't finished high school, have no work experience, and they are expected to find work to support themselves and their children. There is some child care, but it's not sufficient. People are coming to the centre hungry, and their babies don't have diapers.

Gambling addiction is a big issue in this community. We have an addictions counsellor, but we have to support the local bingo hall because it helps keep our organization alive. We also get B.C. gaming funding.

We currently receive no federal money. We've had some Status of Women money in the past to do research on women in poverty – it showed that women were paying 50-80% of their income on rent. But because of the sub-standard rental accommodations up here, women are more likely to stay in abusive relationships.

We have no services for HIV/AIDS patients, although there is a real need for them. We have several clients who are infected, but they have no resources.

The government wants the community to look after people, but when you're in an area like ours which has been so hard hit by cutbacks and downturns in the economy, it's very difficult to take care of others.

We have a one-acre community garden. People can sign up for garden plots to help supplement their groceries, and it offers a safe and healthy environment.

I'd like to develop a mentoring gardening program, a mix of youth and seniors. Even above the tangible produce, it could help build social skills and alleviate isolation. Many people with low income can't afford to take their kids to the pool. And many seniors, who had been avid gardeners, may not be able to turn a spade anymore, but they can share their expertise if others help them out physically.

GOVERNMENT POLICIES AND PROGRAMS THAT WOULD HELP

Kim

I don't even know where to begin. We must start by putting more money into non-profit organizations on the ground. If I see one more baby without a diaper, I'm going to cry.

There also needs to be more incentives to work through welfare. People need to be allowed to work part-time and keep the money. And there is nothing by way of training, and they're not allowed to go to school. I had HRDC funding to get training; that's what made me employable.

We have to remember our youth. Right now, they're left hanging

We have to be able to adapt to the ever-changing nature of poverty. We need to address things like racism, which is rampant in this community.

And the Pacific needs more research. There has hardly been anything done on homelessness up here. Often you do one phase, but can't get money for the next phase.

Tanya

If the government is going to cut money from health and welfare, they should put some money back into services like ours. We try to help our clientele do more than just get their welfare forms in. We also try to help them find their way into employment, offer them the tools they need, encourage them to get training, and give them practical supports.

The biggest help right now would be funding. I think we'll always provide services because we're just too stubborn to stop. But our employees are stretched pretty thin.

Pluri-elles

Mona Audet is the Director General of **Pluri-elles** (www.pluri-elles.mb.ca/a_propos.html), an organization founded in 1982 to help women in Manitoba. Today, services are also offered for men and children.

Pluri-elles currently employs 30 people, including six counsellors. "In the area of social services alone, we serve between 1,500 and 2,000 people per year, providing short- and long-term assistance," says Audet.

The organization hosts about 50 workshops a year on a broad range of topics, like parenting techniques, bullying, Fetal Alcohol Syndrome, immigrant integration, menopause, and grieving.

"The feedback we get from clients shows they are very pleased with what we offer. We help people grow," says Audet.

HOW HAS YOUR MISSION BEEN AFFECTED BY CHANGES TO SOCIAL POLICIES AND PROGRAMS OVER THE LAST DECADE?

Things have changed very quickly over the last 10 years, perhaps because of the media. Our staff need up-to-the-minute training, because there is always something new to deal with.

And as with every other community organization, our workload goes up, but funding doesn't. Budgets are half what they should be.

Social services just don't get the recognition they deserve. Most people don't understand what social service organizations do.

We went through a major consultation exercise in 2002. The results confirmed that women need help, especially in rural communities. Many women find it very difficult to participate in community activities because of the lack of day care facilities. And even when there are some available, it's difficult for women to work because day care fees take too big a bite out of their salaries!

HAVE SOCIAL PROGRAMS CHANGED TO MEET THE CHANGING NEEDS OF YOUR CLIENTS?

I don't think social programs have responded to our clients' needs.

Social services aren't considered as valuable as health services, although you can't have one without the other. Everyone knows that mental health problems are on the rise, but there's always more emphasis on physical illness.

WHAT COULD GOVERNMENT DO TO HELP YOU BETTER SERVE YOUR CLIENTS?

Social services should be recognized for their true value. Government should reach out through public awareness campaigns, to help people realize that it's normal to seek help. People are often so ashamed that they wait until the last minute.

I remember when the government switched to a policy of zero tolerance for drunk driving. After a few years, the results were evident. Why not attack social problems with the same energy?

Government should also recognize the expertise of groups that provide care in the social service sector and boost budgets to allow them to better serve clients. We ask our employees to work overtime to respond to the needs out there, and we see more and more professionals suffering from vicarious trauma due to a lack of time and proper supports.

It's time for action!

E. Fry Ottawa

Sherrie Tingley is a board member of the CCSD, and she recently became Executive Director of the **Elizabeth Fry Society of Ottawa**, a CCSD member organization which provides assistance to women in conflict with the law. Prior to this, Sherrie was with the Centre for Equality Rights in Accommodation (CERA) for over 10 years, first as board member, then joining the staff as the manager of eviction prevention programming in the city of Ottawa.

THE IMPACT OF CHANGES TO SOCIAL PROGRAMS AND POLICIES OVER THE LAST DECADE?

In Ontario, the unprecedented welfare cuts in October 1995 were a tsunami of sorts for us. They had a huge impact on everybody and on all social agencies. Working on a constitutional challenge to the welfare cuts, CERA's expert witnesses predicted the increased levels of homelessness – and unfortunately, we were right. About 80% of families with children who relied on social assistance saw their ability to maintain housing seriously affected.

Over the decade, there were also changes to labour legislation, and increasing rates of precarious employment. In my position as eviction prevention coordinator, I was shocked to see that 60% of the people facing eviction had paid work. And in Ontario, 60,000 households were facing eviction. I talked to women who turned to prostitution in order to pay the rent.

Women's choices, in particular, were increasingly narrow – look at a woman like Kimberly Rogers, who was just trying to get an education.

Meanwhile, EI changes over the decade meant that many people who normally would have cycled into EI were no longer eligible. I saw women who had had babies and were able to stay home for only two weeks. Or people who had a heart attack, and had no EI support. In order to gain access to social assistance, a single person would first be stripped of all but $1,000 of any RRSPs.

With our casework at CERA, we intervened with housing seekers who faced violations of their human rights, and mediated between tenants and landlords. But after the cuts, our success rate dropped significantly, largely due to the increased depth of poverty. With more clients being homeless, it became more difficult to get them housed and to mediate on their behalf.

CURRENT STATE OF AFFAIRS

Thing have not improved. Marginalization is increasing. We are moving towards a permanent underclass of Canadians.

Before the tsunami, single moms averaged nine months on social assistance. In Canada, we had incredible mobility off welfare. That really distinguished us from the U.S. My understanding is that this mobility has decreased.

There are two victims: the service users and the service providers. As workers in the social service sector, we have been closing both the funding deficit and our clients' personal economic deficit at a cost to our own health and economic security. I think the sector is close to being in crisis.

GOVERNMENT POLICIES AND PROGRAMS THAT WOULD HELP

We have to see an increased investment in the charitable sector, and a questioning of the assumption that the sector can continue to pick up the slack. Fund us at the needed level, bring salaries up, give us health benefits and retirement funds.

I strongly believe that people who have to rely on income security programs should be governed by objective rates which are tied to the costs of necessities such as food, lodging, and transportation. Provincial social services ministers asked for the development of a market basket measure. Now we have it. So why are the levels of income security programs still dependent upon the whims of politicians? Why is it political, not objective?

In a country which prides itself on our Charter of Rights and Freedoms, why have we allowed this situation to develop? How can we allow vulnerable citizens who are already disadvantaged on many fronts to be subject to the fickle winds of public opinion for their economic security and well-being?

St. Joseph's Community Health Centre

Dawn-Marie Buck manages the **St. Joseph's Community Health Centre**, a CCSD member organization in Saint John, New Brunswick. The Centre was established just over 10 years ago to address social issues which were clearly affecting the health of the community.

"When you have poor neighbourhoods, it's hard to be a healthier community. We needed to look at community capacity building," says Buck.

Housed in the same facility as St. Joseph's Hospital, and governed by the Regional Health Authority, the Centre recently obtained provincial funding for some doctors and nurse practitioners to work within a collaborative care model with other service providers.

"We focus on determinants of health, like transportation, housing, literacy, and parenting," says Buck. "As staff, we need to go out to where people are, in various communities and neighbourhoods, and provide services and supports."

HOW HAVE CHANGES TO SOCIAL PROGRAMS AND POLICIES OVER THE DECADE IMPACTED YOUR COMMUNITY?

One social program that's been really positive has been the early childhood initiative, which offers pre- or post-natal interventions if a mother needs some support.

I also think the new CMHC policy of allowing 5% down to buy a house has had a positive

impact. Some people are now able to try to advance in their lives by becoming homeowners.

But a provincial policy which stipulates that two single mothers who live together will lose one of their social assistance cheques has been a problem. That policy has put a huge damper on people's ability to come up with some alternative solutions.

The housing stock in Saint John is very old, and many of the houses aren't up to code. There are problems with mould, lead, and windows that aren't secured. There needs to be some way of dealing with landlords who don't keep their housing up to code. We're lucky that fires like that terrible one in Ottawa recently don't happen every week.

Our city council, along with the Vibrant Communities Initiative, has been trying to push for new units of social housing to be built each year.

We became part of the Vibrant Communities project (**Vibrantcommunities.ca**), because our business community has been very strong on this. In fact, a group called the Business Community Anti-Poverty Initiative (**www.tamarackcommunity.ca/g2s28.html**) won the Peter Drucker Award last year.

We have funding for the Vibrant Communities project for the next three years. We are currently doing an inventory of community resources, and we are finding that much of the good work that's been happening is still fragile because of precarious funding.

At our Centre, for example, funding for the teen coordinator was cut last year by the provincial Department of Family and Community Services. We had to scramble to deal with that. We have a strong community organization, but trying to work with three levels of government is not always easy. In the end, the Regional Health Authority helped us to pay the bills until we could find other funding sources.

CURRENT STATE OF AFFAIRS

At our Centre, there are growing demands for support services in housing, health care, mental health, mobile services, and patient education. I also hear demands for child care, literacy services, and tutoring.

Now in Saint John, I see momentum and people working together to see how we can strategically make changes. There is optimism because we have influential people on board now. But I'm not seeing the changes yet.

We have such great programs, but they are all very fragile because of funding.

WHAT SOCIAL POLICIES OR PROGRAMS WOULD IMPROVE THINGS FOR YOUR COMMUNITY?

In the past, we have tended to ghettoize social housing. A lot of social housing was put in the old North end, so you end up with drugs, crime. Now we are talking about new mixed social housing. City councillors recently met with Minister Fontana and he was impressed that it was a diverse group, but focused on one issue.

Another issue people are talking about is the need to help people when they are getting off social assistance: to allow them to keep a health card for prescription drugs, and offer a transportation subsidy, to help the transition. The business group is pushing for working-poor people to have the prescription drug card. A local MLA has said that many diabetics aren't on insulin because they can't afford to monitor their blood sugar. A drug card has costs, but if the person ends up on dialysis, it costs a lot more.

I think that having good quality day care for all would also make a huge difference. It puts children on a more equal playing field going into school and allows parents to get further training themselves.

We also need to have better and more sustainable funding for literacy training. We need to go out to where people are, in their various communities and neighbourhoods.

And the province should certainly re-examine that clause about single unit occupancy for those on social assistance. It would be so much better for single mothers if they could live together.

George Davidson: Social Policy and Public Policy Exemplar

Reviewed by Michael Clague

This book is a powerful reminder of how recent is the incorporation of social welfare into public policy in Canada – barely more than 65 years ago, or one generation. Through the first quarter of the 20th century, people with modest or no means of support were pretty much on their own when faced with traumatic hardships. The supports of first and last resort – if available – were family, the church, friends, and occasionally in rural areas, the government agent.

There are many books about the development of the Canadian welfare state to its apogee in the 1970s, most notably Dennis Guest's *The Emergence of Social Security in Canada*, generally regarded as one of the most complete sources. What we don't have is much biographical information about many of the architects and builders of our social security system – people like Tommy Shoyama, Charlotte Whitton, Harry Cassidy, Leonard Marsh, Emmet Hall, and George Davidson.

Richard Splane's excellent biography of George Davidson illustrates the value of knowing more about the principal actors of this important period. When a book is well done – as this one is – we gain a greater appreciation of the personal characteristics of the biographer's subject and of the political and economic times which informed the emerging policies.

Born in Bass River, Nova Scotia in 1909, Davidson subsequently grew up in New Westminster, B.C., graduating from the University of British Columbia before earning a doctorate in classics from Harvard. Unable to find a university teaching position at either Harvard or UBC during the Depression, and about to take training as a high school teacher, he was discovered in 1934 by Dr. George Weir, the government's new Minister of Education and Provincial Secretary. Davidson's remarkable career was launched.

Among the positions Davidson held were B.C. Superintendent of Child Welfare; Executive Director of the Vancouver Council of Social Agencies (a social planning body) and of the Vancouver Social Welfare Federation (precursor to today's United Way); Director of Social Welfare in British Columbia; Executive Director of the Canadian Welfare Council (forerunner of the CCSD); and first Deputy Minister of Welfare in the federal government's new Department of National Health and Welfare. And that was just his trajectory in the welfare field.

Davidson subsequently became Deputy Minister of Citizenship and Immigration, Secretary of the Treasury Board, and President of the Canadian Broadcasting Corporation. He then followed an international career, first as United Nations Under-Secretary General (the financial and administrative head of the world body), and later as Advisor to the Fund for Population Activities. He retired to Victoria in 1986 and died in 1995.

Splane's biography sketches the important individuals in Davidson's life and career, people who undoubtedly influenced who he was and his work. For example, Harry Cassidy – academic, public administrator and policy-maker – is credited with ensuring "social policy being central to George Davidson's career." According to the author, Cassidy had impressed upon Davidson "the belief that public policy through the instrumentality of government stands as the means of securing the well-being of all society, including its least advantaged members" – a central thesis of this book.

It is through books like Splane's that we can gain insight and understanding about the forces and factors which trigger fertile periods of intense, creative change in public policy. George Davidson was a bright and talented man – a classicist – with no special training in the helping professions. (In fact, the development of social work as a profession paralleled his career.) Through Splane's work, we appreciate how Davidson's early years in rural Nova Scotia and in pioneering New Westminster must have imbued him with a sense of both the importance of family and its vulnerability when circumstances change. As a young man, he witnessed the devastating impact of the Depression in the United States and Canada, and would have absorbed the competition of ideologies – socialism, capitalism, and communism – which were trying to make sense of it all. His journey through Europe as fascism was on the rise would have provided a chilling caution about the extremism that economic and political turbulence can breed.

It took the Depression and the Second World War to prompt governments like those in Britain, Canada

and the United States to begin laying the groundwork for new social policy directions. People were needed who could shape and give coherence to a new vision. With these traumatic years surrounding them, the majority of the public and politicians saw the need for governments to be pro-active and interventionist in order to ensure that such economic and military cataclysms would not happen again. Thus, the emergence of the welfare state in many western countries, and of the United Nations. And while there had been an earlier experiment in international government (the League of Nations), no western liberal democratic, capitalist society had previously attempted such huge reforms regarding the social well-being of its citizens. There were no blueprints to be dusted off; they had to be drafted for the first time.

There were, of course, debates about the policy directions: an expansion of social services to families, as was advocated by the Canadian Welfare Council's Charlotte Whitton before Davidson succeeded her; or income security, as advocated by Leonard Marsh, Davidson and other policy pioneers of the period. The priority on income security prevailed – notably family allowances and support to the provinces for welfare. (By the 1960s, however, the execution of the Canadian welfare state had come to incorporate both income security and social service programs financed by Ottawa, the provinces and municipalities.) Marsh's study, *Report on Social Security for Canada*, was released in 1943 after two and a half very intense years. It remains one of the seminal statements of that period. These documents contributed to the 1945 Dominion-Provincial Conference on Reconstruction which set the blueprint (known as "The Green Book Proposals") and influenced subsequent policy documents and decisions for the Canadian welfare state. George Davidson was among those bright, very able and very committed people who helped assemble the arguments and lay out the directions. The period from 1945 to 1970 was a remarkable era for social policy development and for the advancement of Canadians' social well-being.

Richard Splane is well-qualified to write this book. Though younger, he was also part of this era. He served as George Davidson's Executive Assistant, then subsequently was appointed as the first Director of Unemployment Assistance. Splane was the lead architect in the development of one of the most imaginative pieces of the social policy package of the 1960s, the Canada Assistance Plan (CAP). (CAP provided cost-sharing for welfare with the provinces, set conditions by which the provinces could receive the funds, and took a needs-based approach to welfare entitlement, rather a means-test.) CAP, Canada's principle safety net at the time, provided annual support for more than three million people at a cost of over six and a half billion dollars. Regrettably, CAP came under attack by financial interests in and beyond the federal government, and in the mid-1990s, it was finally dropped by then-Finance Minister Paul Martin.

It is unfortunate that George Davidson did not write an autobiography. He was privy to the people and politics of this intense, highly productive period of social policy reform. He wrote extensively in many reports and policy documents, but there is apparently little written record of his private thinking on these matters. We are fortunate that Richard Splane has put together this story.

What does George Davidson's biography tell us? It suggests that large-scale, progressive social change *is* possible when society is faced with cataclysmic events, when there are exceptionally capable thinkers and administrators with deeply held values to improve the society, and when there is a readiness for change among citizens and politicians.

Since the 1980s, the Canadian welfare state has been seriously eroded. The failure to courageously address needed changes as times and circumstances evolved, the emergence of neo-conservative ideologies that argued a residual role for government in social welfare – if at all – and the push and pull of competing priorities for public finances all contributed to the erosion of the welfare state. And we see the impact of this erosion in communities across the country as poverty becomes entrenched and income disparities grow.

The task now is not to re-create the welfare state as it was in Canada – because it was far from perfect – but for all of us to recommit to our collective responsibilities as citizens for our mutual well-being. This requires formulating policies and programs to suit these times. But must we have cataclysmic events to be the trigger? Hopefully not.

Michael Clague is Director of the Carnegie Community Centre, located in Vancouver's Downtown Eastside. He is the former director of the Social Planning and Research Council of BC, the Community Social Planning Council of Greater Victoria, and the Britannia Community Services Centre (Vancouver), and the Past-president of the Canadian Council on Social Development. His writing includes **Reforming Human Services: The Experience of the Community Resources Boards in BC**, *with Dill, Wharf, and Seebaran, and* **Community Organizing: Canadian Experiences**, *with Wharf.*

George Davidson: Social Policy and Public Policy Exemplar, by Richard B. Splane, is published by the Canadian Council on Social Development. It is distributed by Renouf, (613) 745-2665; $20.

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