



EDMONTON FACTS

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Edmonton's 'Social Infrastructure'

How much cutting can it take?

Edmonton's community support system has served our city well by preventing further family and personal breakdown. It is cost-effective and a good investment, using large numbers of volunteers and providing a base for other fundraising and volunteer activities.

Recent decisions at the provincial and federal levels place the future of Edmonton's 'social infrastructure' at risk.

Healthy communities

Edmonton is a good place to live. Edmontonians enjoy the city for what it offers people. Time and time again, Edmonton is ranked as one of the best places to live in Canada.

Many things contribute to making a community healthy and safe. Jobs, quality housing, personal safety, stable families, parks and green space, a diversity of cultures and recreational opportunities all play a part.

The "social infrastructure" is all the people services and facilities that improve quality of life. Just as the roads and bridges of Edmonton's "physical infrastructure" improve life in Edmonton, the social infrastructure is important to the well-being of Edmonton families.

In Edmonton, a large part of the social infrastructure is built and maintained by non-profit, preventive social service agencies. Edmonton's preventive social service sector is made up of hundreds of agencies, thousands of employees and tens of thousands of volunteers, all working together to provide families and communities with services they need to make their lives better.

What are "preventive social services"?

"Preventive social services" help improve people's quality of life *before* problems arise. A preventive social service tries to prevent crisis by stopping further breakdown of families and communities. Preventive social services try to tackle the root cause of a social problem, reducing problems down the road.

For example, hot lunches are being provided to kids attending five high risk schools in Edmonton. Hot lunches keep these children from going hungry so they have the energy to learn and to concentrate on their education. Hot lunches help kids do better in schools, and keep them in school longer.

Fewer families in crisis means less poverty, less crime and less family breakdown. It also means a more stable workforce. Not only does it make our community better to live in, it saves money.

Preventive services and the non-profit sector

There have never been enough resources to meet the level of need in Edmonton. For example, the hot lunch program serves five schools in Edmonton. Twenty-five schools have been identified as needing similar programs.¹ Many more kids could use the services of this preventive program.

But the prospect for reaching out to more families is poor. In fact, many existing services are at risk. In recent years agencies have had to stretch to make fewer dollars go further. As more cuts loom, Edmonton's social infrastructure will begin to crumble.

The cost of social infrastructure

In comparison to physical infrastructure, the social infrastructure costs Edmontonians relatively little. For example, through municipal taxes, each Edmontonian pays less than \$4 a year to non-profit agencies to deliver preventive social services.² The city department of Community and Family Services, which is responsible for much of Edmonton's social infrastructure, has a budget of \$21.2 million. **This represents only 2.1% of the total city budget!**

Non-profit agencies approach many sources of funding for their services. They all fundraise privately and work with philanthropic foundations and all three levels of government to secure the money needed to provide services.

For many social service agencies, funding from the City of Edmonton acts as a stable foundation for building their services. It serves as a stable core from which to build better services.

How preventive social services work

Headstart is an example of preventive social services. It is a program designed to give young children (ages 3 to 5) living in poverty an equal chance at good education. Headstart programs enroll pre-school kids into educational programs to give them a "headstart" at working in a school environment.

With Headstart, kids living in poverty get a better chance at a quality education. Studies have shown that children who complete Headstart do better in school, stay in school longer, have higher levels of income as adults, and have fewer run-ins with the law.

For every dollar spent on a Headstart program, society saves over \$7 down the road.
Average Headstart cost per child per year: \$5000
Benefit to society after 25 years: \$35,800
Net savings per dollar spent: \$7.16³

Changing situations

Until recently, the non-profit sector in Edmonton has enjoyed modest but stable support. This stability has produced a strong social infrastructure in Edmonton, but Alberta and Canada are entering a period of massive change. All levels of government are rethinking how they support preventive services. The results of this 'rethinking' may have a devastating effects on agencies and the people they serve.

The federal government has, in the past, contributed to preventive services through the Canada Assistance Plan (CAP). CAP funding has been given to the provinces to offset a portion of the costs of providing assistance, as long as the province followed certain national standards. In 1989, the federal government announced a limit on the amount it would provide Alberta in CAP payments (sometimes called the "cap on CAP"). Each year since, the amount of money available has paid for a smaller portion of preventive services. The province, the municipalities and the agencies have had to make up the difference.

At the end of 1995, the provincial government announced it will no longer share with municipalities money it receives from CAP. The City of Edmonton uses the approximately \$4 million it receives from CAP to partially fund its contributions to the social infrastructure. As of January 1996, the city will no longer receive a portion of CAP funding. This will result in a \$2 million shortfall in the city's planned 1996 budget.

Since 1992, the provincial government has reduced municipal grants (funding the city uses to pay for preventive social services) by 21.1%.

As of April 1996, CAP will no longer exist. The federal government will be replacing it with the Canadian Health and Social Transfer (CHST). The CHST will not likely specify strong national standards, and will reduce the amount of money being transferred.

The CHST will reduce Alberta's transfer payment in 1996 by 23%. This will amount to a \$329 million reduction. Payments will be reduced by similar amounts every year.⁴

The 1996 budget of the Government of Alberta cuts a further \$1.6 million from Family and Community Support Services (FCSS) funding. This represents five per cent of the total provincial FCSS budget!

Consequences of change

The changing situation will have significant consequences for Edmonton's social infrastructure. It is clear current services cannot be maintained with less money. The further loss of resources needs to be either prevented or alternative plans need to be developed.

No one is certain exactly how the changes will affect preventive services. However, each partner in the social infrastructure will need to answer a number of hard questions.

In the next couple of months, the City of Edmonton will need to address the \$2 million shortfall in its preventive services budget. A number of options are available, but each will have a significant impact on the community (please see 'What \$2 million buys' listed on this page).

With the end of CAP, the city will permanently lose the \$4 million per year it has previously received for preventive

services. This is approximately equal to the amount it provides non-profit agencies each year!

The Alberta government will need to address the end of CAP and the effects of the new CHST, including the \$329 million shortfall in the first year.

What \$2 million buys

- Out-of-school care subsidies for 805 children for a year.
- A year of hot meals for 913 seniors.
- Hot lunches for children at 27 elementary schools for a year.
- 400 Headstart spots for young children living in poverty.
- 63 full-time family violence prevention workers.
- Complete counseling support for 66 families in crisis.
- Resources to recruit, train, refer and place 55,000 volunteers with non-profit agencies.

The shape of the future

In the short term, the future of Edmonton's preventive social services are unknown. The immediate challenge of the \$2 million shortfall, and the longer term issue of the end of CAP raise many difficult questions.

How do we maintain the social infrastructure we built? How do we keep Edmontonians from falling through ever-widening cracks? How do we find the funding needed?

Each level of government, the private sector, the non-profit sector and the public all need to ask important questions about what they value in the social infrastructure and how they are willing to contribute to building and maintaining it. Ultimately, we all need to ask what we feel needs to be done to make our community healthy.

The answer will determine the shape of our community in the years to come. It will determine if Edmonton is to continue to be the great place to live that we have known in the past.

¹ Source: Hot Lunch Program, Edmonton City Centre Church Corporation; from information provided by Catholic School Board and Edmonton Public School Board.;² Source: City of Edmonton.;³ NOTE: Figures only intended as approximate. Edmonton figures estimated from calculations found in Schweinhart and Weikart, "Success By Empowerment: The High/Scope Perry Preschool Study through Age 27", 1993. ;⁴ Source: CUPE Research Department, "Undoing Health Care: the CHST", 1995.

