



#### SOCIAL PLANNING

First Reading is published six times a year by the Edmonton Social Planning Council. The Council is an independent, not-for-profit organization, whose activities include social research, policy analysis, and advocacy.

We welcome new members, or the opinions and suggestions of our current members. All membership requests or magazine contributions can be forwarded to:

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#### Mission

"The Edmonton Social Planning Council believes that all people should have the social rights and freedoms to live and work in an environment that enhances individual, family, and community growth without restricting the same rights and freedoms for others. The Council seeks to create, to advocate, and to support changes in policies, attitudes, and actions in order to enhance these social rights and freedoms."

#### Our Goals

- To undertake research into the nature and magnitude of social issues in the community.
- To increase public awareness and understanding of current social issues and to exercise an independent voice in the community.
- To encourage greater public participation in the development of social policies and in the implementation of programs.

## Axworthy On The Record

After the fall election in 1993, the federal Liberals launched a comprehensive review of all federal programs and services.

On October 5, 1994 Human Resources Minister Lloyd Axworthy released a Discussion Paper Improving Social Security in Canada. The paper put forward options that the federal government is considering for social reform. They have asked people to discuss and respond to the options.

These options include overhauling unemployment insurance (U.I.) and having a two-tiered system—one for people who only use unemployment insurance occasionally and one with lowered benefits and compulsory retraining to people who are frequent users of UI. They are also considering an income test for applicants whose spouses are employed.

The paper proposes to reduce expenditures by changing the system of transfer payments to provinces, giving provinces more control over money. This would directly affect welfare and social services. The federal government is considering replacing transfer payments such as the Canada Assistance Plan with block grants or perhaps a guaranteed annual income. Another option would direct funds to some national priorities such as reducing child poverty. Also under consideration is an increase in Child Tax Benefits to low income families. This option would include moving the income cutoffs so less families are eligible for the full benefts.

The government is considering maintaining current funding arrangements for post-secondary education and allowing the cash portion to disappear (a move initiated under the Mulroney government) or shifting spending to an expanded and permanent system of student loans. Should the government opt to increase loans they will consider allowing students to use RRSPs for education payment, or make repayment contingent on income levels.

First Reading editor Sheila Kushniruk questioned Mr. Axworthy:

security reform?

SK: What are you hoping to achieve through social

LA: Current programs are not up to date. Many were designed almost half a century ago and no longer reflect the current economic and social conditions of Canada. We need to mod-



ernize our social, labor market and learning programs in order to ensure that Canadians are able to get the skills they need in order to get and keep a job, while at the same time protecting those who are vulnerable and disadvantaged. It is imperative that we ensure that a reformed safety net is within our means and more efficiently managed, with a real commitment to end waste and abuse. It is my hope to provide Canadians with a stronger, more effective social security system that: creates opportunities for all Canadians; helps individuals achieve the satisfaction and dignity of work; and gives them the tools for independence and self sufficiency. In order to do this, we need to hear what Canadians have to say and talk with the provinces before making any final decisions.

**SK:** How do you feel about the way that the discussion paper has been received—are you surprised by any responses?

LA: There has been a lot of interest in the Discussion Paper. This does not come as a surprise as polls continue to show that the public strongly supports the need for reform. Canadians are eager to be part of the process. To date, over a quarter of a million people have requested information publications. Over 10,000 people have called our hot-line directly and calls are continuing to come in daily. Over 80 groups have appeared before the Standing Committee on Human Resources Development, many presenting new ideas for reform. We welcome their input and want to hear more from Canadians. I am very encouraged with the level of interest shown so far.

- **SK:** Have you given enough time to respond to the Discussion Paper? (Deadline for submissions to the Standing Committee moved from Dec. 31 to Dec. 9)
- Groups and individuals will have at least two months to submit their briefs to the Standing Committee.

- This is the second round of Standing Committee hearings on social security reform.
   Preliminary hearings were held last February and March.
- Most stakeholder groups are aware of the reform process and have been consulting their members since the first round of hearings.
- the Committee set its deadline for receipt of submissions at December 9 in order to allow time to prepare the Final Report.
- Groups who received intervenor funding from the Human Resources Development were given until December 31, 1994, to complete their briefs. Groups were urged to complete their work as quickly as possible, especially if they wanted to appear before the parliamentary committee.
- **SK:** What process is in place for reviewing responses and what guarantee can you give to respondents that their input is being considered?

#### LA:

- all submissions made to the Parliamentary Committee are being analyzed by a team of analysts from the Library of Parliament and will form part of the Final Report of the Committee.
- the Parliamentary Committee has hired two Associate Research Directors to review all submissions and coordinate the writing of the final report. Both Associate Research Directors are well respected professors-Mike Prince and Jean-Michel Cousineau.
- input in all forms will be considered-from individuals, stakeholder groups, academics, and experts. Submissions can be sent in writing or via audio or video cassette.
- SK: What support do you hope to harvest from middle-income families for programs which provide little benefit to them but are targeted to low-income earners (moving income cutoff levels for child Tax Benefit)?

**LA:** The Discussion Paper describes several possible approaches to reform of the Child Tax Benefit (CTB). These approaches are illustrative—they are intended to help Canadians understand the tradeoffs involved in a re-design of the CTB.

One possible approach would be to reduce CTB payments to middle and higher-income families in order to increase benefits for low-income

families. From surveys on public opinion, we know that Canadians are generally in favor of better targeting of social programs. Over the course of the next few months, I want to hear their views on better targeting of the CTB.

SK: By increasing payments to low-income earners through increased Child Tax Benefits, yet decreasing transfer payments to provinces (Canada Assistance Plan)—will poor families be any better off?

LA: The Discussion paper suggests that in order to increase Child Tax Benefit payments to low-income families with children, some funding could be reallocated from federal transfer payments to provinces under CAP. The paper is also very clear in saying that "the federal government would need to work with provinces to ensure that families on social assistance get the full benefit from this reform."

SK: Through this, the children will come under the jurisdiction of the federal government, yet their parents and elders will remain under provincial jurisdiction—how does this make things better?

LA: Increasing Child Tax Benefit payments for lowincome families would have no effect on federalprovincial jurisdiction. Provincial governments would continue to be responsible for the delivery of social assistance and social services, including the provision of assistance for children in need. The federal government would continue to provide Child Tax Benefit payments to supplement the incomes of eligible families with children.

As at present, parents with no other source of income would receive both provincial social assistance and the federal CTB in respect of their children. Parents with low earnings who are not eligible for social assistance would continue to receive the federal CTB.

SK: Jurisdiction issues have also come into play in proposals for a national maintenance enforcement program and a national child care program. What can you do to ensure these important programs aren't put on the back burner?

LA: The Discussion Paper does not propose a national maintenance enforcement program. The paper does suggest, however, that governments may wish to review the experience of jurisdictions outside of Canada on assured support maintenance systems. A joint federal-provincial-territorial task force of justice officials is scheduled to report this fall on the adequacy and enforcement of child support.

The federal government has proposed to invest \$720 million in new funding over three years in a joint federal-provincial-territorial initiative to improve access to child care. Although the provinces and territories have responsibility for child care, the federal investment can be the catalyst for a new collaborative partnership, and the beginning of a national framework for child care.

SK: Should CAP be replaced with unregulated block grants, allowing provinces more freedom to operate welfare, would your government be willing to enforce standards to ensure people in need get help and are not made to participate in schemes such as workfare?

LA: The Discussion Paper on Improving Social Security in Canada illustrates a block-funding approach to the reform of the Canada Assistance Plan (CAP). The Discussion Paper states that the key issues for public debate and discussions with provincial governments regarding such an approach are whether there are reasons why funding in this area should be linked to national principles, and if so, what these principles might be.

Many people and organizations in Canada, such as yourselves, will want assurances that welfare and social services will be maintained and that provinces will continue to develop the network of volunteer community-based organizations that have become such a critical part of the delivery system. The federal government is sensitive to these concerns.

There are many forms that potential principles could take. In considering any principles, the key issue is how to balance provincial flexibility under a block fund with national principles or standards. The different arrangements in the area of health (EPF-Health) and post-secondary education (EPF-PSE) illustrate the variety of possible approaches. In the field of health, for example, the Canada Health Act outlines a number of principles that provincial governments must meet as a condition of receiving the federal funds: universality, comprehensiveness, accessibility, portability and public administration. In contrast, there are virtually no conditions attached to how provinces spend money that is provided under the transfer for post-secondary education-a situation that has caused the Auditor General of Canada, among others, to ask whether a more stringent accountability regime is not required for this large spending program.

Another area in which to look when considering possible principles is the current cost-sharing conditions under CAP. While one of the primary objectives of block-funding is to provide provinces with more flexibility, some of the existing CAP conditions—such as not requiring a period of residency before a person can be eligible for welfare, and ensuring that social assistance recipients have access to an appeals procedure—might be the sort of principles which could govern a block-funded approach to CAP.

SK: Do you acknowledge that the prospect of going into thousands of dollars of debt for a post-secondary education is a deterrent to students from low income families?

LA: Post-secondary education is generally agreed to be an investment that pays off in terms of reduced levels of unemployment, increased lifetime earnings, and enhanced job satisfaction. At present university students typically pay about 20 per cent of the cost of their education. Given the potential benefits and the need for restraint on spending by all governments, it seems reasonable to suggest that they might pay a larger share.

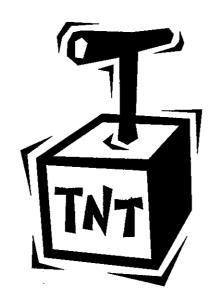
Of course, it is essential to ensure that students have access to the financial resources they need to take advantage of the post-secondary education system. That's why we are proposing to introduce a new system of loans and grants specifically to cover the rising costs of tuition. Some \$2 billion per year will be available through this program, in addition to the nearly \$1 billion already made available through the recently overhauled Canada Student Loans Program.

To ensure that students with special needs, or from low income backgrounds, are not deterred by the prospect of significant debts from making the investment in post secondary education, we are taking two steps. First, repayment of the loans will be based on income after graduation and will automatically adjust to their ability to pay; this will avoid the risk of excessively high payments. Second, we are improving the grants provisions of the Canada Student Loans Program and proposing to introduce further non-repayable assistance into the new program.

Given the special importance of education and training for young people from low-income families, we will place high priority on ensuring that changes in federal support of post-secondary education improve, rather than detracting from, their learning opportunities. continued on back cover

### EXPERTS GAUGE

# Reform Proposals Spark Debate



#### The proposals are short sighted and social justice could be compromised...

By Barbara Thomlison and Elizabeth Radian

The guidelines for discussion in *Improving* Social Security in Canada have suggested responses to proposed solutions in the program areas of Unemployment Insurance (UI), the Canada Assistance Plan (CAP), and Education (Ed). Scattered throughout these discussions are minimal references to job creation and maintenance, and tax reform. The focus on potential specific solutions to the changing realities faced by Canadians is premature, as there are larger questions which first need to be addressed. Three of these questions are concerned with: (1) philosophy of programs; (2) federal government involvement; and (3) the consequences of disrupting certain parts of a whole system. Lack of thoroughness in restructure and reform of programs will only add to the disparities among individuals and families in Canada. Divergence and inconsistencies will be emphasized across the country.

#### Philosophy, Principles, and Values

There appears to be a lack of acknowledgment and discussion of the original philosophy, principles, and values that underpin the creation of the programs under review. Programs such as Unemployment Insurance, and the Canada Assistance Plan, while instituted in different years, were established to provide some measure of monetary security for individuals during uncertain economic times. One of the goals of these programs was to ensure that individuals most in need, and those at risk of need, did not suffer undue economic hardships. The focus on meeting financial needs suggests a compassion for individuals, and a commitment by continued on page 8

## REFORM...



#### It's a good beginning to the debate...

#### By Jonathan Murphy

Reaction to the federal government's discussion paper on social security reform (Improving Social Security in Canada) has been predictable and generally unhelpful. Nowhere more so than in Parliament, where the absence of an effective national opposition robs government of a useful sounding board.

Outside the House, the rapidly waning power of unions and "social movements" produces a paradoxical reaction in which their leaders make ever more extravagant claims about nefarious government schemes, promising social strife and general insurrection if even a fraction of the alternatives is implemented. When the promised popular reaction fails to materialize, the important perspectives of these groups become even further marginalized in the public debate.

To dismiss the need for social security reform is to walk a blind alley. The old consensus for the current welfare state has evaporated, and the choice is either to see the safety net destroyed in a righteous redneck frenzy, as Alberta is doing, or to develop an active and financially sustainable system which is better synchronized with the economy. The Axworthy document at least provides some hope for that latter project.

Work is the *raison d'être* of modern urban society, and with it comes participation in the fruits of this society, both financial and emotional. At the same time it is indisputable that since unemployment insurance and social assistance have been widely available, the proportion of families which has dropped out of the labor market and become dependent

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They've acknowledged the problems, but the changes proposed won't help our debt...

#### By Janet Marshall

The Co-dependent Canadian. It has become a national institution consisting of the victims (chronic welfare recipients/UIC recipients/medicare junkies etc.) and the enablers (politicians who think they must cater to the wishes of special interest minority groups to win elections) and the apathetic tax payer who currently works the first six months of each year to donate his share of tax to support the system.

Canadian tax payers are now choking in a mire of debt that too few of us seem to comprehend. Is it possible that the average family of four can be responsible for a federal debt of nearly \$100,000 and not be gravely concerned with our enormously expensive social programs?

By the time provincial and municipal government debts are added to the federal, the average Canadian family owes far more in government accumulated debt than that family would ever consider incurring in debt for a house mortgage. Why, as a nation, have we permitted the deterioration of our fiscal health to such an extent? Do we all choose to continue our denial and suffer complete loss of control over our destiny through intervention of foreign creditors and other outside organizations? Or will we choose to suffer some short term pain and deal with our fiscal disaster while we still have some options?

In the past decade as our deficits have accelerated at an alarming pace, various vague proposals for reform have been brought forth by our elected politicians. None have

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continued from page 6—Barbara Thomlison and Elizabeth Radian

governments to assist and provide support for their citizens.

The lack of an articulated philosophical discussion to the proposed restructuring is troubling, in that it avoids any reference to

the nature and kind of Canadian society envisioned through the reform. Values that reflect compassion for individuals and a commitment to support all citizens, particularly the most vulnerable and less fortunate appear to be at risk of disappearing. The shift in philosophy of caring for less well off Canadian consumers of social security programs, (who by and large are mostly single mother families), to one of blaming this group of consumers for over reliance on these programs seems to lack social justice. Compared to similarly resourced countries such as the United States, Australia, and Sweden, Canada is falling behind in the social justice efforts to increase the economic status and labor force participation of single mother families and support to all families. The paper fails to exam-



to promoting and targeting families who could benefit more directly.

ine the economic and social well-

being of families which could lead

#### Federal Government Involvement

It is recognized that the federal government has undertaken the initiative to examine certain programs which make up the social safety net in Canada. The role of the provinces in this reexamination and proposed restructuring is referred to but not outlined.

History has shown that the role of the federal government in the establishment of the Canada Assistance Plan was instrumental in attempting to consolidate all the then existing federal and provincial income assistance programs into a comprehensive program of benefits which all citizens of the country could access if needed. The federal government set national standards to ensure fairness, consistency and equal access to serv-

ices to those most disadvantaged across Canada. The consistency resulting from this role of the federal government will most likely be lost should the discussion paper reforms be implemented. Funding equity is eroded and the ability of the provinces to provide the level of services needed is seriously jeopardized as the burden is passed down to the most vulnerable parts of the community.

The current social security programs represented a partnership between the two levels of government which benefited all citizens. The lack of discussion of the roles each level of government would undertake in these new restructured programs is disquieting. Focus on the voluntary sector of the community to carry the responsibility of service is simply not possible as most of these services are currently functioning at capacity and without additional funds, issues of accessibility and availability of services to families increases sharply from province to province. One could speculate that if the provinces have sole responsibility for these specific social programs without the support of a federal tax base, we may once again have a situation where a number of income support programs exist and vary across the country emphasizing the disparity by regions. The Canada Assistance Plan needs to be more open and flexible to creative use of the funding, not a narrowing down of access to CAP.

#### Consequences of Disrupting Parts of the System

The discussion paper is focused on three programs and offers solutions to restructure these programs. However, there is a lack of recognition of the interrelationship and connections among the programs. Disrupting parts of any one of the programs has the potential to impact other related programs. For example, the restructuring of income security programs such as Unemployment Insurance and the Canada Assistance Plan may have an impact on other related income security programs such as Old Age Security, the Canada Assistance Plan, and even health, education, corrections, and recreation service sectors. This should not suggest that restructuring is not feasible, but rather it seems important to discuss potential impacts on other programs in order to anticipate effects and strategies to deal with them.

Changing these programs without changing the tax base is also unacceptable. More consideration needs to be given to the level of benefits or abuses business derives from the current tax exemptions as a potential burden on the individual and the country as a whole. Why examine participants of social programs without examining beneficiaries of tax programs? Reform must consider that change in parts of the system without concurrent change in the other parts of the system ignores the interrelationships of programs comprising the social safety net.

The review of any program or set of programs on a regular basis is crucial in ensuring relevancy. From this perspective the discussion paper is welcomed. However, for any review to be successful, the larger questions have to be addressed prior to specific solutions being offered. The lack of discussion of philosophy, federal government involvement, and the interrelationship on other related programs suggests a narrowness of focus and short-sightedness which does not bode well for the task at hand. Indeed the disparity between regions, and those individuals who are participants of the programs will increase. If economic justice is allowed to take precedence over social justice, social stability is seriously jeopardized. We need to know where we want to be as a country before reform is initiated. Issues of family resettlement, child support, day care, partnerships with business, housing needs, consumer and family rights, wage rates, labor force participation rates, and educational and family policies are major human rights issues. Knowledge of these issues is the first step toward formulating and implementing policies and programs that will promote social and economic justice. ∽

Barbara Thomlison, Ph.D., is an associate professor at the University of Calgary. Her research is focused on child and family welfare and contemporary issues of social work.

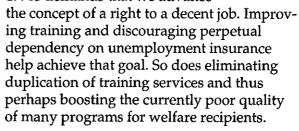
Elizabeth Radian is an instructor in the Social Work program at Red Deer College. She is currently on sabbatical and undertaking Ph.D. studies in the Faculty of Social Work, University of Calgary. continued from page 7—Jonathan Murphy

upon those programs has grown inexorably, creating a more or less permanent underclass.

The country's economic and social structures have warped as payments for unproductivity became built in factors in the employer's and employee's decision making. For the employer, unemployment insurance preserves a reserve army of workers, maintained by society as a whole, to be picked up and let go at the drop of a hat. For the worker, seasonal employment looks mighty attrac-

tive, while passive welfare programs allow the single parent family to survive but never flourish in a *demi monde* of depressive subsistence.

Axworthy's emphasis on encouraging the transition to secure employment is laudable. Inasmuch as the right to welfare was a key theme of social policy advocates in the 1960s and 1970s, so the jobless recovery of the 1990s demands that we advance



Any transfer of training responsibility to provinces, however, must at least establish and maintain a clear set of national goals and standards. Further, it would be unfair to penalize workers but not employers who frequently use the unemployment insurance system, as the discussion paper suggests. Recent comments by the minister give cause for hope that a more balanced approach will be adopted in which employers would pay experience based premiums ("Back to the Sixties with Pink Lloyd," *Globe and Mail*, Oct. 19, 1994).

If the passivity of current income support programs has helped discourage workforce reintegration, this process has been helped along by dramatic changes in the family. The proportion of single parent families rose more than 40 per cent between 1976 and 1991, with four-fifths of those families

Photo by Sheila Kushniruk

headed by women. In Alberta, almost threefifths of female headed lone parent families are living in poverty (Vanier Institute of the Family, 1991).

A number of factors combine to create this final unacceptable statistic. Men frequently avoid paying child support. Women are often confined to pink collar ghetto jobs where they are underpaid. Child care is expensive and often hard to find. Welfare programs are inadequate and discourage people from working. For example, the Alberta social assistance program provides for a 75 per cent clawback of all earnings above \$115 per month, a disincentive to working more than a few hours per week. In its response to these problems, the paper is in places encouraging, in others disappointing.

Jurisdictional issues have cast a pall over initially promising indications of a national maintenance enforcement program, which has receded into a "long term" option which governments "may wish" to consider. Surely the merits and likely popularity of such a program outweigh the dangers of offending sensibilities in the provincial fiefdoms?

The discussion paper confirms the *Red Book* commitment to improved child care through \$720 million in federal contributions over three years. This is an important step towards a comprehensive national program. Here again, though, we enter an area of provincial jurisdiction. Alberta is refusing even to sit down with the federal government to discuss how it might use its \$70 million share. Instead the province is changing legislation to allow unlicensed and unregulated babysitters to look after six children at a time ("Choose sitters with care, Cardinal tells parents", Edmonton Journal, Oct. 20, 1994). Ottawa needs to bite the bullet and implement the program directly in conjunction with local communities.

Another positive element of the discussion paper is the proposal to improve the child benefit program. This would help lift children out of poverty and avoid the huge multi-generational costs such poverty imposes on our society. Yet the suggested financing of such a program through further reductions in the cutoff income level risks

loss of broad public support (Linda McQuaig, *The Wealthy Banker's Wife*).

While inadequate welfare programs are clearly a primary factor in high poverty rates among female led lone parent families, the discussion paper's proposal to eliminate the Canada Assistance Plan (CAP) cost sharing program is fraught with danger. Leaving aside the merits of yet another downloading of welfare costs onto the provinces by reducing transfers, it is hard to support the suggested replacement of the Canada Assistance Plan with a potentially unregulated block grant system.

Although current CAP standards are woefully inadequate, they do at least prohibit provinces from eliminating welfare for whole swathes of the population. Alberta has already considered striking all single employable people from its rolls, and would follow through on that scheme if it could get away with it. No doubt the province would also impose 'workfare' schemes on other 'undeserving poor,' such as unmarried mothers.

Dramatic variations between provinces would undoubtedly follow introduction of an unregulated grant system. The depression era spectre of the poor travelling from province to province in search of relief would be rekindled. The more progressive provinces would inevitably attract the bulk of migrants, causing public sympathy to decline. The end result would be a vicious downward spiral in the quality of welfare programs across the country.

If the federal government feels that in the interest of fiscal responsibility it has to replace cost-sharing with a grant program, then such a program must include clear principles or standards to be followed in order to maintain provincial eligibility for the grant. Such principles should provide for benefits to be offered to all those meeting a test of need, prohibit humiliating 'workfare 'programs, and guarantee an independent appeals system.

I have deliberately set aside until now the question of the impact on social programs of the Finance minister's forthcoming budget. I concur with the Caledon Institute's assessment that "it will be difficult if not impossible to succeed at true social security reform if the bottom line requires billions of dollars in cuts

to social spending" (Ken Battle and Sherri Torjman, "Green Light, Red Flag: Caledon Statement on the Social Security Review"). Social policy advocates must intervene decisively in the public debate around the fiscal strategy. Changes to tax structures in the 1970s and 1980s which benefitted the wealthy, not social programs, were primarily responsible for Canada's mounting debt load (Linda McQuaig, Behind Closed Doors). While careful stewardship of finite resources for social programs is essential, those who can afford to do so must play a commensurate role in resolving the fiscal crisis. The alternative is to follow Alberta's path, where putative welfare reform is nothing more than a vicious attack upon the poor. -

Jonathan Murphy is executive director of the Edmonton Social Planning Council.

#### continued from page 7—Janet Marshall

clearly defined the magnitude of our fiscal and social chaos, so there has been no possibility of any concrete, realistic plan for restructuring. As taxpayers, Canadians have been complacent and apathetic, choosing the path of least resistance and stubbornly staying in denial.

Is our Honorable Minister of Human Resources, Mr. Axworthy, finally addressing this issue in his discussion paper on social reform? The first step in problem solving is admitting there is one. The discussion paper does clearly define many of the problems of our social programs, along with general guidelines on what our priorities should be and what goals we must set.

Canadians tired of our overburdening tax structure must surely take heart in this progress. We now have a document from an elected official publicly stating Canada is in trouble and changes must be made. The reticent state of Canada, formerly so eager to quiet right wingers protesting the blatant abuse of public funds with accusations of "political incorrectness" is becoming increasingly vocal in expressing concern over both the social and fiscal aspects of this issue. Mr. Axworthy's discussion paper results from an enormous amount of pressure placed on the government by the taxpayer; elected officials do not risk political suicide with a document such as this because they feel morally obligated to do what is right, regardless of voters' wishes. That the due process of democracy in our country has finally resulted in the production of this document is very heartening, but taxpayer beware! The title of the document *Improving Social Security in Canada* is the first real concern to anyone concerned with fiscal responsibility. The entire document focuses much more intensely on what is wrong with our social programs than the complete and utterly disastrous state of our financial affairs. This will lead many who prefer the bliss of ignorance to continue to believe we do not have a fiscal crisis in Canada. Yes, we must do some-

thing with social programs to eliminate the horror of one in five Canadian children living in poverty. To ignore such an issue as this is to ensure the continuing deterioration of our country for generations. But to hand the next generation a fiscal monster the size of our existing debt is also a guarantee of an eventual lack of any social security.

This discussion paper is not proposing to reduce our accumulated debt over the next three years. It is not even discussing the elimination of our annual overspending in that period. The document states the fiscal goal is only to reduce the annual deficit to 3 per cent of our annual economic output. How can Mr. Axworthy constantly refer to his proposals as "reform" when he plans to continue to increase the accumulated debt?

This overburdened taxpayer will be grateful to see the day when social programs require able-bodied, able-minded adults to work or suffer severe consequences. No welfare recipient capable of working should be permitted a better life style than those who are responsible enough to work, if only at minimum wage. Employees and corporations who repeatedly use UIC must pay their own costs directly with no subsidization. People forced to be responsible for themselves will develop much more efficient and effective means to survive the set backs of life such as job loss that most of us face at some time. We must create an environment that motivates people to do their own problem solving, develop their own survival skills and turn away from the co-dependence of

socialism. We must empower Canadians to gain control of their own lives, those of their families and their communities. Government involvement in social programs and tax support of these programs must be limited to the care and keeping of only those who are truly unable to care for themselves.  $\rightarrow$ 

As a single mother with only a grade 9 education, Janet worked at minimum wage jobs while raising a child. The struggle to improve her family's standard of living eventually led her into business. Janet is now a shareholder, director and is involved in the daily management of four active and successful companies.

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## EDUCATIONAL TOLL WORRIES STUDENTS





#### Mary Pinkoski—Archbishop Jordan grade 12

Education is a universal right.

Every citizen should be entitled to receive a quality education, including education that is beyond the grade 12 or 13 level. Yet, when Human Resources Minister Lloyd Axworthy proposes a plan to keep decreasing the cash transfer to provinces for post-secondary education, the right to an education is no longer universal. When federal grants are decreased, a post-secondary institution has no choice but to raise tuition fees. When tuition fees increase, post-secondary institutions become available only to those who are able to afford them. This then creates an institution available only to the wealthy. When tuition fees are raised, a student has nowhere to turn, but to a student loan. These loans soon become a large burden to the student when they enter the work force. Education is no longer viewed by the government as an essential, but rather a luxury, privately-owned and operated.

The government should not cut post-secondary education grants, but rather look for other ways to eliminate Canada's economic troubles.

Student loans are not the answer. When federal grants to provinces for post-secondary education are eliminated a student loan will become a popular financial aid. The amount of money borrowed through a student loan will become far larger than in past years. A student loan will become a huge trap, with a seemingly attractive bait designed to capture the student. A student is

#### Leila Kay Bennett—Jasper Place grade 12

Federal government transfers to provinces for post-secondary education enable institutions to maintain lower tuition fees. The federal government continues to reduce these transfers, and they are proposing to use the reduced funds to expand student loan programs. Yet the student would be faced with a higher tuition fee, followed by a burgeoning student loan to repay at graduation.

Funding to provinces under the Established Programs Financing (EPF) arrangements, provides a total of \$6.1 billion to be distributed among the provinces for post-secondary education. Out of this \$6.1 billion, \$3.5 billion is through a tax transfer and \$2.6 billion is cash. The cash amount is reducing due to legislation passed by the former Mulroney government. Mr. Axworthy intends to continue these cuts. The provinces will have to compensate for the loss of money at a time when provincial governments, particularly Alberta, are making drastic cuts to reduce their own deficits.

Rather than the provinces raising taxes, an unlikely and unpopular response, Mr. Axworthy suggests an increase in post-secondary tuition fees. He claims that by expanding student loan limits, students would be able to meet the increased tuition fees. One of the extensions Mr. Axworthy would like to make to the student loan program is to make student loan repayment contingent on income levels. These loans would enable people with low incomes to pay less each month and they would have longer to pay.

continued on page 15

continued from page 13-Mary Pinkoski

placed in the position of wanting an education, but being unable to obtain one without a huge student loan. Once students have completed their education and enter the work force, they are faced with the burden of a huge debt, which must be paid off before they can afford luxuries, such as owning their own house. This will create a decrease in Canada's standard of living.

Mr. Axworthy proposes a simple solution to this problem. He proposes that student loans be paid back when the student enters the workforce and has built up a substantial amount of savings. Mr. Axworthy also proposes that the payments will be in relation to what the student's salary is. However, Mr. Axworthy has failed to recognize that this new loan program will contribute to Canada's debt rather than help to eliminate it. Government will take a loss on student loans if a student does not have the ability to pay it back.

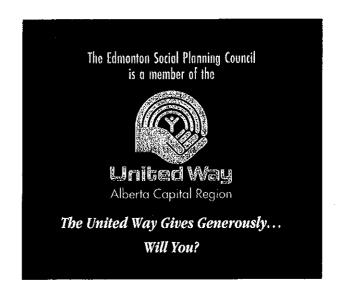
The continued decline of funding for post secondary education is in direct violation of a Canadian tax payer's rights. Canada uses a system of progressive taxes, where people with higher incomes pay more money to the government which can be used for social programs. For the moment, Canada maintains a universal system where all citizens are given equal rights. A postsecondary education is included in these rights. Yet when the government proposes to continue to decrease funding, we must ask Mr. Axworthy just where our tax dollars are going since they are not being put into programs for the benefit of future generations.

As a grade 12 student I feel very threatened by the possibility of entering the workforce with a huge debt from a student loan that can't be completely paid off until years later. Government should reconsider decresing transfer payments for post-secondary education and Mr. Axworthy should look elsewhere to solve economic troubles. After all it is the lives of Canada's future decision makers which are at stake and our lives are being thoughtlessly played with by people who have already made a life for themselves. One can confidently assume that when Mr. Axworthy entered into post-secondary education he

had all the funding he needed to aid him. One can only guess why Mr. Axworthy would want to put Canada's future generation at a disadvantage.

Mary Pinkoski is a grade 12 student at Archbishop Jordan Catholic High School in Sherwood Park. Mary is involved in the swim team, Peer Support and is the student reporter for the Sherwood Park News.





continued from page 13—Leila Kay Bennett

I am concerned with Mr. Axworthy's Income Contingent Repayment (ICR) loan idea. Unless modified in a way that interest rates were to be made proportionate to the amount the student was paying back each month, the cost of interest could become ridiculously high, especially for the more financially vulnerable student. This would only perpetuate the difficulties the less fortunate face in their attempts to achieve a comfortable standard of living.

An innovative move with regards to the financing of post-secondary education would be a more Social Democratic approach. I believe the true answer to equitable admission into institutions of higher education lies in progressive taxation. The higher income a person has the higher taxes they pay. These taxes go to the funding of a nation's social programs. This system has been implemented in Sweden.

In this form of progressive taxation, students would enter post-secondary institutions free of tuition fees and without the need of student loans or grants. However, a record of the cost of educating that student would be kept and upon employment a specific tax would be implemented by the government to recoup the money which was spent on educating that individual. This system is not only good in theory but in practice as well. The fact that Sweden ranks among the world's most prosperous nations can be greatly attributed to their system of taxation. Unfortunately, Canadians are not willing to accept an increase in taxes due to their lack of trust towards their government.

On behalf of my peers, and speaking as a student preparing to enter a post-secondary institution, I do not find it very judicious of Mr. Axworthy to implement any reforms that increase the cost of education. I say this not to be self-serving but in the best interest of my fellow Canadian students. For example, in Alberta through 1993, the average unemployment rate was at 9.7 per cent as opposed to about four per cent in the late seventies—yet tuition fees have nearly doubled over the past decade.

I hope any future decisions Mr. Axworthy makes on post-secondary education are thoughtful, judicious and with a concern for the collective well-being of Canadians. Everyone should have an equitable right to an education. I feel Mr. Axworthy has taken an inept approach to reach his objectives which he states in his discussion paper as being "helping Canadians to get and keep jobs; supporting those most vulnerable, especially children living in poverty; and ensuring affordability." In closing, I remind my fellow Canadian students that our futures are being undermined because of the contradictions between Mr. Axworthy's objectives and actions. \*\*

Leila Kay Bennett is a grade 12 student at Jasper Place Composite High School where she is a member of the school's peace group S.T.O.P.P. Upon graduating she plans to follow a career in economics and literature.





The Children and Families Initiative has the following reports available to be picked up at the Edmonton Social Planning Council:

Submission to the Interim Working Group for the Edmonton Region regarding revisions to the delivery of services to children in Alberta - April 1994

Submission to the Standing Committee on Justice and Legal Affairs regarding proposed changes to the Young Offenders Act - September 1994

Submission to the Standing Committee on Human Resources Development regarding reform of income security programs in Canada - November 1994

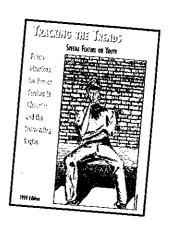
Copies of these reports can be picked up at Suite 41, 9912-106 Street.

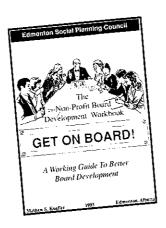
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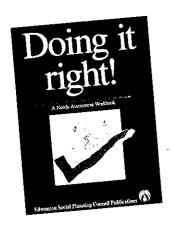
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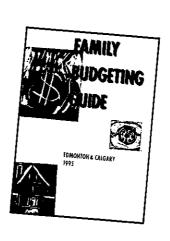
An easy to read publication that will provide you with a clear understanding of what a needs assessment is, why one should be done and how to get started. It includes five worksheets and additional references to assist you.

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#### The Family Budgeting Guide - 1995

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## TOIL FOR DOLE

Should One Work For **Their** Welfare?



#### Yes-By Jack Klassen

This is certainly a popular discussion item on today's social circuit. This is good because the question involves values; it is not good because of the growing momentum amongst the "have's" to respond with a simple YES. This reflects a misunderstanding of human behaviors. The pursuit of a simple YES perspective can only lead to the further dysfunction of welfare supported individuals, families, and communities. Viewed in the longer term, it can lead to cost increases to society rather than the populist rationale of cost savings, the umbrella under which mandatory work-forwelfare currently thrives.

People are much more complex than the simple stimulus/response theory would have us believe. Pay people to work and they will work, or make people work and they will work to improve themselves. Deeper insights are required and an understanding approach to social security reforms.

In North American culture, status in society and one's economic well-being are largely shaped by the work one performs and the job that is held. Those who do not work are deprived of a sense of dignity and worth. If they are in receipt of public support, their self esteem is further undermined; they are made to feel they are leeches on society. Such people, after a sustained period of time, develop behaviors of worthlessness and are commonly viewed as being lazy and unmotivated. Because meaningful work provides dignity, the notion of work for welfare appears to have credence.

The Employment Development Program of the Mennonite Central Committee (MCC) is modeling a workable response. The principles being applied have been well honed with years of experience in the developing world. In the past two years, 146 individuals in Edmonton have voluntarily relinquished their welfare and chosen to enter MCC's work programs. Using redirected welfare funds, they are taken on as employees and treated

with dignity and worth. In small groups and with compassionate supervision, they are provided the opportunity to perform meaningful and community serving work. While pay levels are barely above the minimum wage and are insufficient to develop an adequate lifestyle, participants do want to work. Up to six months of work experience, combined with life skills training, usually results in restored self esteem and sufficient workplace behaviors so they can compete in the tough labor market. Two-thirds of the program's graduates are not returning to welfare.

Under the program, jobs are created in partnership with community serving jurisdictions and agencies. About 200,000 trees have been planted along Edmonton's freeways and in empty spaces through an urban forest and naturalization program. Numerous inner city agencies have had their facilities renovated and upgraded. New in-fill houses have been built to provide affordable housing. Sub-standard public housing has been renovated making decent accommodation available for needy families. A pilot project is demonstrating how low cost trails can be built along the river valley. Degenerating playgrounds have been repaired to the joys of inner city children. The personal testimonies of the workers attest to the restorative and healing powers of productive work voluntarily performed. All participants are given the opportunity and assistance to work through any personal problems they may have. Extended personal situations almost always are a barrier and a detriment to obtaining and holding competitive employment.

I too, say YES to work-for-welfare; but in a very qualified way. It means that all ablebodied welfare recipients must be given the opportunity to help themselves through work. Incentives are needed to make it worthwhile for them to leave the income

dependency. Job creation programs need to be devised for them that are community serving and do not displace regular workers. There is so much work that needs to be done while there are so many people being kept in enforced idleness through disincentives to work. It is important, therefore, that the current reforms to the social security systems include sufficient funding to allow non-government agencies to undertake programs like MCC's which have been proven to work.

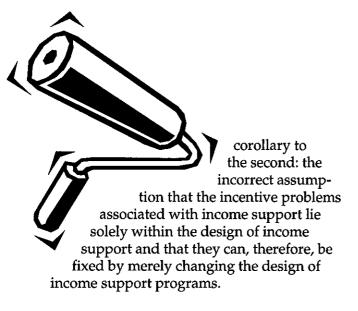
Simply forcing non-job ready people off welfare and into a tight labor market is ineffective and lacks compassion and understanding. While it may save funds in the short-term and some will get permanent jobs, most require temporary hand-holding to bridge the gap successfully from welfare to work. Given the restructuring occurring in the market place, they may also require extensive skills training and, in some cases, long term income supplementation because they can only access low-paying and part-time work. Such approaches will provide communities with healing and social well-being.

Jack Klassen is associate director for the Employment Development Program of the Mennonite Central Committee.

#### No-By Margaret L. Duncan

There are three fundamental problems with "work-for-welfare" schemes. The first problem is that such schemes violate the fundamental human right of people to organize for fair wages and safe working conditions. The second problem is in the underlying assumption of such schemes: that people in need are personally deficient and that a good dose of coerced work will cure what ails them—shades of England's centuries old Elizabethan poor laws. The third problem is a

continued on page 20



#### Problem One: Employees' Rights As Basic Human Rights

The right of people to organize for fair wages and safe working conditions is internationally recognized as a basic human right. The removal of such rights from people by their governments has, in the past, been punishable through international trading sanctions against nations. "Work-for-welfare" represents a removal of all power and control from the worker with no right to join an already existing union nor to organize a new union. The power and control is instead totally vested in the government and the employer. Indeed, even the basic dignity of work is removed as "work-for-welfare" is not considered to be "a real job".

#### What About Employers?

Even the most well intentioned employer cannot escape from the reality that he or she is employing coerced labor when participating in a "work-for-welfare" scheme. This is true because the "employee" has no real power to negotiate the terms of the employment contract.

In Alberta's work-for-welfare program, staff who solicit employers' participation say that the "work" assignments are voluntary. However, 41,000 Albertans have been cut from income support roles since 1993, many of them due to non-compliance with the dictates of government.

#### Jobs, Not Welfare

Quite simply, if there are funds available to pay to people for "work-for-welfare", there are funds available to create jobs for the same people. Let's do it now.

#### Problem Two: Assuming One Problem, Prescribing One Solution

In addition to the basic human rights flaw in the design of "work-for-welfare" schemes, it must be realized that not every income support problem is a problem of simple unemployment. There are a number of other reasons why people may be in need of income support.

Take for example, the case of a woman fleeing with her children from an assaultive man. The first need of the woman and her children in this situation is for safety and security, then for recovery, then considerations of a job or a career in addition to her duties as a parent. (See problem three: when a woman in this situation does enter the workforce, she frequently finds that her employment situation is not exactly "family friendly").

People with mental health difficulties may be well able to work for wages a good deal of the time. However, virtually all people with mental health problems will be in need of some form of income support some of the time and some people are in need of public income support all of the time. A disservice is done to both the person in need and the employer when the need for income support and counselling is answered by coerced employment. There are multiple cases of people with mental health problems being forced into inappropriate working arrangements in Alberta at this moment. It is a practice which must stop.

We must face the fact that public income

support is still a much needed service for many in our society.

#### Problem Three: "It's The Economy, Stupid!"

The assumption which underlies the impulse to undertake work for welfare schemes is motivated by the basic assumption that people in need are lazy and personally deficient—their problem is that they refuse to take "individual responsibility" for their actions. This assumption entirely overlooks a host of other factors including the greatly uneven horizons and opportunities available to people from the time of their birth and, of special interest in this discussion, the lack of available employment opportunities, the lack of family friendly employment practices and the lack of public social supports.

With "downsizing" in the corporate private sector, many people have been laid off work with many others working overtime hours that stretch themselves and their families to the breaking point. Is it surprising that "downsizing" leads to greater demands on the income support system?

Unemployment rates have risen overall in the past 20 years. There seems to be general agreement that the City of Edmonton's current unemployment rate of 10.8 per cent is unacceptably high. However, the eight per cent current unemployment rate of the Province of Alberta is hailed by many as a beacon of success. Economists used to say that a three to five per cent unemployment rate constituted "full employment". Is it surprising that income support demands have increased with increases in unemployment rates?

In addition to increased unemployment rates, there have been increases in productivity in the past 20 years. This means that fewer people are needed to produce the same

number of goods and services. Is it surprising that income support demands have increased with increases in productivity?

By now, most of us have heard of the "jobless recovery". It is now possible for an economy to be said to be out of recession with continued high rates of joblessness. Is it any surprise that income support demands have increased in a "jobless recovery?"

Clearly, sharing the available work through a four day work week, job sharing and flex time must be a priority when we are searching for a solution to the problem of increasing demand on public income support. Creation of new jobs must be a top priority for Canada as a nation. And the best way to remove the disincentives to move from income support (including reduced income levels, loss of extended medical benefits and loss of child care) is to see that living wages and benefits are provided to working people. This can be achieved through a combination of wage adjustments, redistribution of wealth through the tax system, and provision of child care and support for other dependents of working people (e.g. elderly or disabled relatives). 🛷

Margaret L. Duncan, M.S.W., R.S.W. is executive director and registrar of the Alberta Association of Social Workers.



## Displaced Nurse Grieves

By Suzanne Chorney



## **Opportunity**

Lost

In 1980 when I began my nursing career, I thought I had it made for life. I had worked hard and felt blessed that I could earn my living doing what I loved to do. Things began to change for me in 1991 when my job was eliminated because of budget cut-backs. For the first time, I was unemployed. After two months, I began work on a part-time basis at a lower rate of pay; but I was glad to be working. The crunch for Edmonton nurses was on.

In early January, 1993 I again found myself out of work. This time things were different. The rules had somehow changed and being an educated, experienced professional who was willing to work hard did not guarantee me a job. I was able to collect unemployment insurance, but since the benefits were based upon a lower rate of pay and parttime hours, the money did not go far enough. I was forced to apply for social assistancexz benefits. I was very grateful for the social safety net and support and understanding I received from everyone I dealt with at UIC and Social Services.

There were no jobs and things looked grim. Emotionally, I was a wreck. I went through several stages of grief for my lost career. I was angry, not believing that this could be happening to me. I was afraid, not knowing if I would ever be able to return to nursing. I wondered if life would ever get back to normal. I became despondent and depressed. My family worried about me and I worried about them. I did everything possible to find

a job-even applying at gas stations and video stores with no success. I attended career counselling, found a support group and agreed to try a job club.

I had no idea what a job club was all about, but was told that in order for my UIC benefits to continue, I would have to attend BGS Enterprises for three weeks. I had no great hope that participating in the club would help me to find a nursing job because I had already exhausted all possibilities in that area. I did expect that I would at least find a job of some kind though.

Attending the club was the best thing I could ever have done.

I was with a group of about 12 friendly, interesting people with a wide variety of backgrounds and experience to share. We were all in the same boat–professionals who had been enjoying successful careers until unexpected unemployment changed our lives.

With the help of the group leaders, participants, written exercises and group discussions, I realized that nursing was the only career I was interested in. I didn't just need work, but meaningful work. It was obvious that I would have to accept the fact that I could not nurse in Canada and would have to look farther afield. I didn't want to move away but I followed the advice of my counsellor and tried not to think too much about it. I narrowed my choices down to Saudi Arabia, the United States and anywhere in the Caribbean. After a long process of weighing pro's and con's, I decided to concentrate my search in Texas.

As soon as I began sending out resumes, the job offers started pouring in. The vast majority of the hospitals were in large cities in East Texas–Dallas, Houston, Corpus Christi, to name a few. The thought of moving myself and my teenage daughter to one of these large American gang, drug and weapon-infested cities terrified me and the job offer from a

small hospital in a small town in the middle of nowhere in West Texas began to look more and more attractive. After several long conversations with the director of nursing, I decided to accept the position at Reeves County Hospital in Pecos, Texas.

Once I had made the decision and received a confirmation of employment letter, the days flew by in a whirlwind of organizing, packing and saying good-bye to the people and the place I loved. I didn't want to leave Canada but I did want to work so the choice was made and there was no looking back. Before I knew it I found myself in Pecos.

I've been here for almost nine months now and have settled in quite well. However, even though I have made life-long friends, bought a beautiful home and participate in the community, every time I look out of the window I know I'm not at home anymore. Life is very different here in a thousand different ways and every day presents new challenges that must be dealt with-the heat (three weeks of 120 degree temperatures this summer), the desert scenery and creatures (cactus, mesquite bush, tumbleweeds, rattlesnakes and scorpions), the endless long drives along the endless interstates to buy what I need (fifty miles to the health food store, seventyfive miles to the city with the bookstore, mall and movie theatres).

Nursing has also presented challenges and I have learned to accept the fact that many middle class and poor people here don't have regular health care because they can't afford to pay cash. I am constantly astounded by the number of patients admitted to the hospital with emergency and chronic conditions that could have been avoided by regular visits to and screening by a family physician. Once their illness becomes serious they are cared for in the hospital through an indigent patient program, but so much of this expense and lost health could have been avoided. I have done my best to educate my peers regarding the benefits of socialized medicine.

Leaving my home and family to work in Texas was the most difficult decision I have ever had to make but one that I was forced to make. It is unfortunate that the Canadian government is forcing nurses to seek employment in the United States but everyone who makes the move will be welcomed with open arms. In my hospital there are approximately

25 full time RN's and a full one-third are Canadians. There are more jobs in West Texas than there are nurses to fill them and recruiting efforts are constant. Salaries are high, benefits excellent, working conditions good, opportunities for continuing education are plentiful and accessible, taxes are the lowest anywhere and the people are warm and friendly. My only regret is that I could not have found this same opportunity at home.

Suzanne Chorney is a critical care nurse also certified in Advanced Cardiac Life Support and Basic Trauma Life Support.





## Is The Middle-Class Disappearing?

By Bill Kirwin Society in Europe at the end of the 18th century was dominated by aristocratic privilege. A century later, power shifted from an aristocratic elite to a middle class elite. By the end of the 19th century, European wealth had spread to include North America. The middle class had used trade, finance and scientific innovations in combination with an unshakeable belief in progress to secure their dominance.

As we approach the end of the 20th century, European/North American economic power has spread to parts of Asia. After the recent outbreak of mergers and takeovers, power now seems to reside in an ever decreasing coterie of international corporations.

The past few years have been a time of extraordinary turmoil for those who consider themselves middle class. Job security, once seen as the staple of middle class existence, seems to be evaporating. Debt financing by either individual or government is now out of favor. Hysterical cries from opulent circles to do something about the public debt have taken on witch hunt overtones.

The cries to do something about the debt crisis may be code for doing something about the middle class. The rise and fall of the middle class has a relatively short history. The expanding middle class of the 19th century served as a useful diversion from the attractions of socialism and proved to be a curative for working class unrest. Marxian chains were exchanged for suburban trappings. Yet, as Heilbroner warned 25 years ago, as many as 40 per cent of those people who considered themselves middle class were of a different class. Some few should have been located in higher socio-economic strata while, he claimed, the vast majority should properly be placed in a more marginal category. In the past three decades, robots or third world labor have replaced a large number of the working class, and there has been a decreasing need for middle

management (read middle class). The economic triumph of Japan and Germany has as much to do with their respective limited liberal tradition as it does with their economic aggressiveness. Both Japan and Germany have recently emerged from a quasi-feudal existence. Both societies never fully embraced liberalism, and both societies have a economic historical advantage in that much of what is now paraded as corporatism is remarkably similar to feudalism. This feudal mentality has allowed for the emergence of a corporate order that fundamentally challenges both liberal capitalism and the middle class. Concurrent with this challenge is the demise of the nation state.

The nation state arose out of the perception that it could protect its citizenry from the vagaries of warfare. Our nuclear weaponry recently rendered that fanciful idea obsolete. Middle class values of industriousness, service to others and sense of community were seen to be the necessary glue for economic progress of the nation state. The modern universal welfare state was put in place to prop up the objectives of militant nationalism rather than communal altruism, despite the warnings of Gunnar Myrdal that the welfare state was too closely associated with the objectives of the warfare (nation) state. With the subsequent demise of the nation state and the emergence of de-facto city states, a sort of new tribalism seems to be developing. This in turn has given birth to a middle class that could best be described as lumpenbourgeoise. That is, many may still have the trappings and pretensions of middle class life but are forced to suffer the continual reduced expectations of a hedonistic promised land of their youth.

Much of this promised land, especially for women, was to take place in governmental bureaucratic expansion. Governments would have the necessary power and will to ensure this expansion. However, governments of the nation state were no match for international



corporations and their allies the computers. A computer could whisk millions of dollars out of a country and the avaricious reach of the tax collector in a moment. If a government protested, it could soon find that the corporation in question would not only move its money out of the country but its factory as well. For those who need proof of this take a journey to see the maquiladores (industrial free trade zones) in Mexico.

With decreased revenues, governments that had previously fueled middle class development by providing jobs, services and tax breaks soon lost their will to maintain the middle class. Those people who only a few years ago saw themselves as members of a viable governmental middle class quickly slipped into a deepening sense of economic irrelevancy. Some hang on as bureaucratic apparatchiks vainly attempting to maintain the myth of economic redistribution via outmoded transfer payments and other Keynesian machinations, whereas an increasing number find themselves deposited in the morass of the structurally unemployed or underemployed left with only the prospect of low level consumerism. An unlikely ally of devoluting governments are those antiexpansionists who seemed to want economic activity to crawl to a near stop and engage in flagellating exorcism of middle class guilt.

Is the middle class doomed? Probably. Five thousand years from now historians will probably look at the past 200 years with mild interest as a brief interlude between the fall of a regional aristocracy and the re-emergence of a global aristocracy.

Bill Kirwin is an associate professor at the Faculty of Social Work (Edmonton Division) University of Calgary.

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### FROM JOINT TO JOB...

#### A TROUBLESOME TRANSITION

By Sheila Kushniruk With an unemployment rate that still hovers around the 10 per cent mark, ex-inmates have many strikes against them as they try to make a transition back into society. Not all employers are willing to overlook a person's past when they could easily find someone who is over-qualified and desperate to find work.

"For all intents and purposes I need a patronage appointment from someone who knows me and what I'm capable of doing," said Brian Stewart who is serving a life sentence and has been out on parole for four years.

Brian and Allan Watkins, another ex-inmate, were getting frustrated in their job search. Both had accumulated stacks of rejection letters.

"Most people out there couldn't give a shit about people like me...There were times I wanted to just put a gun to my head and BANG! I felt 'what's the use.' Like a sick dog, society wanted me put down."

All too often people focused on their prior mistakes and Allan says he was fed up with living up to their dim expectations. "Don't rub my face in it like I was a little kid," says Allan. Both men were determined not to go back to prison—they had enough of life in the fast lane and they were ready when social services referred them to LEEP (Learning and Employment Enhancement Program).

The 18-week program gave them nine weeks to work on their life skills, prepared them for employment or, if they had chosen, they could have gone on to educational upgrading. The other nine weeks were devoted to a work placement.

"I broke my back in the work placement to prove I could be trusted. I thought if the hotel didn't hire me I would be back to where I was before—at the bottom," says Allan. Luckily his work placement ended with the offer of a full time job, but for Brian, even though his employer was happy with his work, budget constraints didn't leave room to hire him.

LEEP students must be over 18 years of age, have a social insurance number, at least a grade eight education, be literate and be clean from any dependencies for at least three months. The program takes in about 16 exinmates each class and they run six classes per year. Over 130 Edmonton businesses have participated with the majority being small companies. Employers benefit by having a worker on staff who they can train for a particular job without having to pay wages for nine weeks. It gives them a good chance to look at the person before they hire them. For the LEEP student the advantage is that they can learn a trade and hopefully get a job after.

Out of an average class size of 16, about half will graduate from the program hopefully with a job. If there's not an offer of employment LEEP manager Robin Murray says grads are able to come back for some direction. About 12 per cent of grads go on to some sort of upgrading and about 10 per cent keep looking for work.

"I never cried like I did the day I graduated from LEEP. I felt so proud these people were acknowledging something I achieved...I have never had people recognize my good. I was used to having people acknowledging my bad and rubbing my nose in it," says Allan.

Robin says it costs about \$3,600 to turn one of their students back into a tax-paying member of our society—this compared to a cost of \$60,000 to house one person in prison for one year. Provincial prisons are warehousing people, and they're full to capacity and then some. Allan says besides being crowded the

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## In Search Of **Full** Employment

We are reassured on a fairly regular basis that our economy is slowly but surely regaining strength. Like most other people I am ready and willing to be reassured. However, I find myself during a sleepless night wondering if this can really be when unemployment continues to darken the scene!

A few years ago the headlines screamed out at us about markets going to pot, prices dropping like mad, stocks running close to worthless. There was a vague hysteria to be felt on downtown street corners. I called someone well-known in the world of finance to ask if things were as bad as the media made it sound. Might we be doomed to the kind of demoralizing breakdown that struck back in the thirties?

He assured me we were in a much different, much more stable financial world with built-in protection as well as greatly advanced knowledge to manipulate the system in a sophisticated manner not even known about in the Great Depression of the thirties. There was only the rarest of chances of a devastating plunge!

I hung up quite reassured that we would be spared the onset of a depression such as the one my parents had struggled through so many years ago.

Nevertheless, I found there were gaps in my assurance. My friend had spoken confidently of "spending cutbacks" and "tax breaks" and "deficit reductions" designed to lead us smoothly back to safety with full employment becoming part of Canada's policy in a foreseeable future.

After all, wasn't it just back in 1945 that the Canadian Parliament had committed itself to make full employment the basic objective of Canada's economic policy? In more recent years it has occurred to me that the question

of strong support for full employment seems to have dropped a considerable distance down the list of vitally important undertakings in our land!

It has been claimed by supporters of full employment several times during the ensuing years that *joblessness* for many people has become more noticeable than *full employment* in the Canada they know.

While I am not an economist and frequently get lost in their jargon, it has occurred to me that business groups (particularly large ones) and leaders in Commerce have never seemed to accept the advantages of full employment. It just doesn't seem to turn them on—so to speak!

They are usually in strong support of the idea that restoration of profits has always been and always should be the most vital and dependable base for the revival of employment. And it appears that their point of view has carried strong weight with Ottawa!

There is a noticeably weak voice from those in the Canadian public who deplore the numbers of the unemployed. The number of men, women and young people who can't find work is staggering. Many of the latter fight the temptation to give up looking for employment but many others put aside what they went to school and University to learn.

There is certainly nothing wrong with waiting on tables but it's hard to put out of mind how many dollars it took to arrive at graduation!

June Sheppard was a pioneer woman journalist, working in print and electronic media for the past 47 years. June is an honorary member of the Edmonton Social Planning Council and the first honorary member of the Alberta Status of Women Action Committee.

By June Sheppard

## **Immigrant Professionals**Ponder Feds Latest Policy

By Dr. Soliman Elmais Among other changes to the immigration policy, introduced in the document "A Strategy for the Immigration and Citizenship" (Hon. Sergio Marchi) is "a greater share of immigrants will be selected on the basis of their ability to contribute to Canada's economic and social development, reducing demand on integration services."

This is a story of two people, two of many immigrant professionals who were in this category when they moved to this country.

I moved to Canada five years ago from Lebanon, Vicky Christodaulou is from Greece and has been here for the last 14 years.

We are both well educated and with years of successful practice of medicine in our respective countries. When we decided to leave it all behind and come to Canada it was with the understanding that we would not be able to pick up where we left off. In fact there were no guarantees that we would ever be able to practice medicine in Canada.

However, Canada is a land of opportunity and with hard work, we thought, we would be able to achieve our dreams and re-establish ourselves in the medical profession.

After all, we were selected on the basis of our accomplishments and our potential "ability to contribute to Canada's economic and social development".

Today, five and 14 years later, we have given up hope that we will ever have the opportunity to contribute.

The hurdles for medical doctors like ourselves are insurmountable. After the evaluating exam is passed, the waiting list for an internship position is years long.

The result of this exam is only valid for five years. Considering that nobody knows how long the wait would be, considering the fee of the exams (evaluating plus LMCC 1 and 2) as well as additional costs associated with taking the exams (up to \$5,000) and considering that all of us have families to feed, the system is set up in such a way that in practice it is impossible for most of us, doctors from other countries, to ever get an internship position.

Now, if there wasn't a need for doctors in this province, then this situation would be understandable. But we know there is a need because this province routinely accepts doctors from South Africa and gives them a temporary licence which allows them to get ready for licensing exams.

Why is this going on when there are doctors in Canada who are also Canadian Citizens willing to do the same and more. Receiving a temporary licence like the South African doctors would be the ideal situation but we would settle for less than ideal. We would be willing to go to remote areas and stay there, not just for two years until we obtained our permanent licence, but to live and work there.

We are willing to do more for less to begin with, such as work as assistants to the licenced doctors to obtain Canadian experience.

Other options would be to allow the doctors who come to Canada from other countries to go to medical school for a short period of time—a year or two, or even to accept them in the area of research or graduate studies.

As it stands now we are not even given the chance. So, when the Hon. Sergio Marchi talks about selecting people who can contribute to Canada's economic and social development, we wonder what he really means. We are those immigrant professionals. We know many people in other fields who are disillusioned and wonder if their turn to contribute will ever come.

Dr. Soliman Elmais is the president of the Alberta Association for Immigrant Professionals.

## The Vietnamese Community SPEAKS UP

The landscape of Edmonton's inner city has changed significantly over the last 15 years. The August 1st 1992 edition of the Edmonton Journal's editorial noted "the revival of 97th Street began with the arrival of people fleeing Vietnam. The 'boat people' have had a decade to root themselves in Edmonton and they are spending a considerable amount of time and money in making a livable and appealing community in what was once a run-down area."

This positive development has been accelerated by the establishment of the Avenue of Nations Business Revitalization Zone Association. The association, set up by a resolution of Edmonton City Council, represents 460 businesses in the area immediately north and east of downtown, including McDougall, Queen Mary Park, McCauley and Boyle Street. Members pay a small surcharge on their city business tax assessment to belong.

The association's goals include increasing the profile of the Avenue of Nations area and its businesses, working to make the area safe and hospitable for businesses and their customers, and liaising with government.

About 2,200 people work in businesses belonging to the association, mostly in smaller firms. Only one in seven of the members employ more than 11 workers, but they account for well over half of the total workforce employed by member businesses.

Despite the fact that Vietnamese speaking businesses make up less than one-third of the Association's membership, their role in shaping Chinatown North has been important. Their presence and investment in Little Vietnam, together with other ethnic groups, has enriched and widened the old Chinatown to the West of 97th Street, instead of to the East as anticipated. Hence, the Chinagate and the Chinese Seniors' Mansion next door to the gate, are no longer located at the centre of Chinatown.

In just over a decade, the entrepreneurs from

Vietnam have become the most prominent presence in the Oriental grocers business in Edmonton north of the Saskatchewan River. Sixty per cent of them are Vietnamese of Chinese origin. In the hospitality industry, Vietnamese restaurants have been chosen consecutively by Edmontonians as Edmonton's Best in 1993, 1994. Most auto repair centres, fashion & bridal stores, photo studios, coffee shops, herbal centres, jewellers, hairdressers and beauty salons as well as medical/dental clinics, drug stores in the area, are operated by people from Vietnam.

Little Vietnam in Edmonton is unique in Canada compared with those in other cities

because all businesses are concentrated in several street blocks. Some observers have expressed concerns that the area may be overdeveloped when vacant retail spaces are still available on 107 Avenue.



By Thanh

Quy Nguyen

Natural Resources MinisterAnne McLellan (Edmonton Northwest MP), accompanied by Thanh Quy Nguyen, visits the IndoChina Chinese Seniors' Association located in Little Vietnam on July 28/94.

This may or may not be true; only time can answer the allegation. With respect to the work ethic of business people in Little Vietnam, it is fair to say that the majority work tirelessly almost year round, seven days a week, 10 hours a day and only take a few days off during the Lunar New Year; the most important festival for Asian people.

To help promote Little Vietnam, The Vietnamese Canadian Friendship Society, jointly with the Avenue of Nations, and the Mennonite Centre for Newcomers launched a new project "discover the world in your

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own backyard." The first event included a meal of authentic Vietnamese cuisine served in the traditional style. There was also Vietnamese music, folk dancing, and guest speakers. As anticipated, an enthusiastic response was received to this new means of cultural interaction. The Edmonton Examiner said "this success could be used as a springboard by the Avenue of Nations for a continuous series of evenings. 'An Evening in Saigon' could very well be the predecessor of An Evening in Rome, or Hong Kong, or any number of well represented ethnic homelands". This project also assists in increasing the awareness of mainstream Canadians to Vietnamese and other cultures. More importantly, it serves a more basic purpose—job creation for the inner city.

To conclude, the phenomenal growth of Chinatown North in a short few years demonstrates the strength which ethnic businesses can draw from their diversified backgrounds—entrepreneurs of Little Vietnam are a large part of this picture. It also proves that "Multiculturalism Means Business," a concept that views multiculturalism in a new light. Multiculturalism used to be perceived only in terms of heritage of ethnic languages, customs and arts. People seldom viewed the diverse ethnic composition of Canada as actually contributing to our economy; however, in the case of the Avenue of Nations Business Revitalization Zone, it works. ->

Thanh Quy Nguyen is an orientation coordinator/ settlement counsellor at the Mennonite Centre For Newcomers in Edmonton. provincial prisons have no programs available. Once out of prison, ex-inmates find government cutbacks are threatening what options remain for them. They don't qualify for unemployment insurance and most are considered employable, but they can't find work. After four years of LEEP's proven success and a societal move to preventative services, it begs the question why more programs aren't available in our provincial or federal prisons to ensure that inmates who want change can work towards it.

"Everyone is passing the buck," says Allan who wishes he had been given the opportunity years ago—"Maybe I would have woken up sooner."

Now Allan has the satisfaction of holding down a job for six months and he's already been acknowledged as employee of the week. He's got his eye on being employee of the month and a one-year pin in his maintenance job at a downtown hotel. "Now I look out my balcony window and think You know Allan you did it."

For Brian things aren't quite as bright. He was on social assistance and had to rely on the Food Bank once to help feed his family. He lost hope on more than one occasion and started drinking to try and forget. He hit rock-bottom and ended up in prison again for three weeks following a battle with alcohol. His one saving grace is that people continue to have faith in him and what he is capable of doing. For now he's babysitting four children each day and he's working towards starting a program to help other ex-offenders.

"Your best bet out in the real world is to see a need and devise a way of fulfilling it," says Brian. \$\sim\$

## Barriers

## Broken Down



Alvin Komperdo is one youth who is glad he agreed to give lawncare a shot this past summer.

Alvin was approached in July to join the M&C Lawncare company, a small business born out of the Youth Employment Initiative (YEI) through the Boyle Street Community Services Co-op. At first, Alvin admits, he wasn't interested, but when he realized that he could gain valuable skills AND get paid, he changed his mind.

Alvin had tried to get a job to gain work experience so he could eventually enter the police force, but no luck. Alvin feels it was because he had long hair and many establishments, mainly restaurants, weren't very happy about that.

When it came time to actually meet the other employees and the bosses at M&C, Alvin was a bit worried—what if they rejected him too—just like all the other places where he'd wanted to work. Well, he didn't have to worry because the seven other employees turned out to have the enthusiasm he lacked, yet sought out.

Darrell Langevin, the head of the YEI, admires the energetic lawncare group who despite many odds came away with new-found skills including customer relations and marketing.

This group of eight young people is part of a larger community of inner city youth who can face a number of barriers. These can range from a lack of job opportunities, low wages, discrimination in hiring, lack of flexibility in the workplace, to more personal challenges such as lack of recent or relevant employment or educational experience, lack of job skills and/or goals. These barriers hinder progress towards successful employment and self-sufficiency.

M&C Lawncare started with four employees and then took on four more. Mary BullChild and Candace Redwood (M&C) acted as managers but everyone pitched in when it came to doing yard work. Like any other business, M&C Lawncare needed a marketing scheme. Flyers were produced. The employee who handed out the most number of flyers, was first in line for a shift. This was the way things worked. The hours were flexible which was necessary for the inner city youths.

Jobs came in sporadically all summer, but the group had ideas of how to get more work and perform a community service at the same time. They proposed to the City of Edmonton that they could clean up public areas in the inner city—the parks, the vacant lots, the abandoned sites, etc. for a fee.

Even though the YEI ended after summer holidays, the group is still eager to take on the clean-up. The city has indicated, however, the group must go through a tender process like everyone else. For his part, Darrell Langevin points out that these kids have the will to do the clean-up, but lack the means to access city contracts. It's frustrating for the group who had come away feeling so confident and proud.

The barriers being placed in front of the YEI have not stopped the Boyle Street Community Services Co-op from working with inner city youth. The Co-op cannot afford to stop. They deal with a large number of youths between the ages of 16 and 24 who are interested in developing new skills and a better life for themselves. The Co-op's Young Adult Community Worker, Debbie John, has begun something similar to the Youth Employment Initiative, the Young Adult Craft Program.

Debbie recognized that many of the youths are artistically inclined. No matter what the continued on back cover









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continued from page 5—Lloyd Axworthy

SK: What support do you expect to get from middle income earners if your government makes post-secondary education costs higher?

LA: I believe that people understand the need for government restraint and will appreciate that even an area of high priority such as support to post-secondary education must contribute to reducing the national debt. What matters is that restraint be applied in a fair and equitable way, and that steps be taken to minimize its impact on both students and the college and university systems.

That is why the government, in proposing to phase out cash transfers to provinces for post secondary education, is also planning to introduce a new income contingent repayment program of student loans and grants. This will ensure that support is not only sustainable for the long term but that the available resources grow to meet new demands. For students it will ensure that they can benefit from higher education without the risk of unmanageably high payments after graduation, as the rate of repayment will adjust automatically to their ability to pay.

SK: Should interest rates keep rising what will you do to meet budget targets?

#### LA:

- The discussion paper Improving Social Security in Canada set out three main objectives for social security reform: jobs, support for those most vulnerable, and affordability. It stated the federal government's fiscal parameters for social security reform.
- The Minister of Finance recently issued a compre hensive economic and fiscal update, based on a prudent canvassing of economic scenarios.
- Mr. Martin reaffirmed the government's commit ment to reducing the deficit to no more than three per cent of gross domestic product in 1996-97, and outlined the scope of actions needed to achieve the government's fiscal goals.

 On that basis, the government has invited a broad public debate on the choices to be made and the actions to be taken in the 1995 Budget.

#### continued from page 31—Lesli Thompson

activity the Co-op arranged for the youths, many took advantage of every chance they had to express their creative abilities. To meet this obvious need, the Co-op has provided the youths a small amount of money to buy materials for the crafts. They then create something to be sold (quite successfully) at booths located at powwows.

Debbie John believes that this program affords the youths another choice. They can feel comfortable in their artistic abilities as well as developing new skills such as marketing, advertising, and self-promotion.

So far, 50 per cent of the profits have gone back into the purchasing of materials, and the other 50 per cent to pay-cheques for the youths.

Alvin Komperdo and his peers in the craft program are much happier now. Alvin took the opportunity to become more confident as well as gaining marketable employment skills such as customer relations, responsibility, and organization. Perhaps Alvin's steps to becoming a member of the police force will be much smaller now. Perhaps the young people in the craft program will go on to fame and fortune in the arts. Whether or not these goals are realized, the Boyle Street Community Services Co-op has provided something these young people needed—a chance.

Lesli Thompson is the communications assistant at the Edmonton Social Planning Council.

