



A NEW SOCIAL CARE ACT FOR CANADA: 2.0

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2018

This article was originally published in
[How Ottawa Spends.](#)
The Canadian Association of Social Workers
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Founded in 1926, the Canadian Association of Social Workers (CASW) is the national association voice for the social work profession.

The mission of CASW is to promote the profession of social work in Canada and advance social justice. CASW is active in the International Federation of Social Workers (IFSW).



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1. Introduction

The cancellation of the Canada Assistance Plan in 1996 was a pivotal policy shift that was not only short-sighted as a cost-cutting measure, it also did not reduce the need for, nor the costs of, social care services. Instead, it fundamentally changed the characteristics of the Canadian federal state that had evolved from the post World War II welfare state ideologies that were based on state provision.

Until the 1960s, social care in Canada was highly underdeveloped and largely dependent on the combination of provincial, municipal, and private charitable funding. The focus of the activities of what were largely non-profit organizations was to provide assistance to individuals and households with low and moderate incomes who were in need.

What changed this picture was the advent of the federal Canada Assistance Plan in 1966. The Canada Assistance Plan led to the consolidation of the funding and the delivery of income assistance programs. Substantially increased federal (50/50) cost-shared funding was made available to the provinces to support their spending on social assistance programs on the basis that federal programs for people with disabilities would be terminated, and that Canadians who were dependent on such programs would receive provincial assistance instead. According to the preamble, the Canada Assistance Plan would provide funding for programs to alleviate poverty and for programs intended to prevent poverty. It was this phrase in the preamble that led to increased funding for the significant expansion of provincial social services.¹

“WHEREAS the Parliament of Canada, recognizing that the provision of adequate assistance to persons in need and the prevention and removal of the causes of poverty and dependence on public assistance are the concern of all Canadians, is desirous of encouraging the further development and extension of assistance and welfare services programs throughout Canada by sharing more fully with the provinces in the cost thereof;²”

Since the 1990s, beyond the social costs to Canadians due to reduced community and social services incurred as a result of the Chrétien government’s cuts to federal funding, the true damage was the loss of the basic principles that had framed the Canada Assistance Plan for 30 years. These basic principles, inherent in the preamble to, and the text of, the Canada Assistance Plan went beyond simply framing a social program. They were a validation of Canadian social values that were not replicated in the Canada Health and Social Transfer agreements that replaced the Canada Assistance Plan. Even with the 2000 Social Union Framework Agreement, under the guise of enhancing cross-Canada jurisdictional relations, the federal government’s negotiation objective shifted to one where it would only maintain the illusion of providing over-arching national guidance while still limiting its financial obligations. There were no underlying principles to bind provincial commitments to social services in the same manner that the five principles under the *Canada Health Act* have assured Canadians of the government’s commitment to ensuring their access to health services.

Throughout the period that followed the termination of the Canada Assistance Plan, poverty and socio-economic inequalities have persisted in Canada, although the Trudeau

Liberal Government's introduction of the Canada Child Benefit holds the promise for making a difference for lower income families with children. Growing concerns about the impact of poverty and persistent social inequalities is the reason that we believe that a new *Social Care Act* is a timely public policy approach.

The reductions in federal assistance to provinces for social services that served as austerity measures since the 1990s contributed to the conditions that have promoted poverty and social inequalities. Although there was a decline in the unemployment rate from 8.7% to 6.9% between July 2009 and July 2016³, more than 3 million Canadians continue to live in poverty.⁴ Statistics Canada's 2014 Income Survey found that 1.9 million families struggle to make ends meet because they do not have jobs that provide a living wage, workplace pension plans, predictable schedules to facilitate work-life balance or opportunities for advancement. As a result, they have poorer health outcomes, lack access to healthy food, and do not live in safe, adequate and affordable housing.

The Income Survey confirms that, while the national low-income rate in 2014 was 8.8%, changes to social programs over this period had a disproportionate impact on Canadians who were most likely to be poor: unattached people aged 45 to 64 (30.2%), single parents (23.7%), people with disabilities (22.5%) recent immigrants (20.3%), and Indigenous peoples (First Nations, Métis and Inuit) living off reserve (18.7%).⁵

The Liberal Platform that led to Prime Minister Justin Trudeau's win in the October 25, 2015 general election promoted a Keynesian approach to government intervention aimed at ensuring Canadian prosperity. Following on the heels of the 2008 global economic downturn

and 10 years of Prime Minister Harper's fiscal constraints, the Liberal Platform with its promises of increased funding for social programs proved to be popular with voters.

“Poverty and inequality are not just problems for individual Canadians – all of us are affected. For Canadians, poverty makes it more difficult to get and stay healthy, and more difficult to find and keep good work. For Canada, the costs of poverty – seen in higher health care costs and greater demand for social assistance – are immense. Our plan will lift Canadians out of poverty starting immediately after the next election.⁶”

The purpose of this brief is to propose a new *Social Care Act* for Canada which would provide the federal government with a viable public policy framework to address the persistent social inequalities in Canada through ensuring a common set of principles of for social care across the country.

2. What is Social Care?

We use the term social care to refer to the range of publicly provided personal and community social services which have become a key part of the fabric of Canadian society over the past 50 years. Social care encompasses more traditional services such as child care, child welfare and services for people with physical, developmental and psychiatric disabilities. It also encompasses services for homeless people, for women who are seeking shelter from abusive relationships, for the LGBTQQ population, for youth, for people with an addiction, for families, for immigrants and migrants, for seniors, and for anyone in the community who is in need of special assistance. Services for people who are poor or who are likely to become poor are an important part of social care.

Before 1970, social care was limited to a few publicly provided services and a few that were often funded jointly from public and charitable funds and provided by non-profit organization. Public services were often strongly focussed on large scale institutions. Since 1970 there has been a rapid expansion of social care in a wide range of forms as community expectations have changed around what should be available publicly and what should be funded publicly. Like health care, provincial and territorial practices for social care vary widely. Unlike health care, provincial and territorial social care is not now subject to agreed national principles such as those in the *Canada Health Act*.

While some national principles were a part of the Canada Assistance Plan under which the federal government provided important support for provincial expansion of social care, they were terminated with the end of the Plan in 1996. The Canada Health and Social Transfer replaced the funding provisions of the Canada Assistance Plan and in part those of the Established Programs Financing and Fiscal Arrangements Act but not the principles. In fact, the Canada Health and Social Transfer and its successor Act, the Canada Social Transfer, does not even mention that its purpose is to provide funding for social care. The federal government and the provinces came close to reaching an agreement on social care in the 1990s as part of the discussions around the idea of a social charter. It is now long past time for the federal government and the provinces to deal with this.⁷

3. Background

3.1 Demographics

The population in Canada is not only growing, it is also changing. According to Statistics Canada, the total population in 2016 was 35.15 million, representing an increase of 1.70 million people from 2011. About two-thirds of that growth was the result of migratory increases (the difference between the number of immigrants and emigrants), with natural increases (the difference between the number of births and deaths) accounting for the remaining third. Statistics Canada estimates that in the coming years, population growth in Canada is projected to be increasingly linked to migratory rather than natural growth primarily because of low Canadian fertility rates and an aging population.⁸

First, the aging population group of baby-boomers is cited as a predictor of increasing costs for health care and social care in Canada. Aging is considered one of the drivers of health care costs since seniors generally require more health care services than younger people.⁹ Aging will also be a key reason for increasing demand for social care in a variety of forms. From a socio-economic perspective, an aging population is expected to have an adverse effect on the labour market as seniors retire from the active workforce, and contribute to a significant increase in demand for government pensions.¹⁰ Economists and politicians are calling for increased immigration levels as a means of increasing the working-age population, a measure that will contribute to the tax revenues to pay for some of the increasing costs of this ageing

population. Further, increasing immigration will require greater availability of social care especially in the first few years of settlement in Canada.

Second, the scope of poverty in Canada is extensive, affecting the lives of many marginalized populations. According to the government's own Discussion Paper, in 2015, 3.2 million Canadians (representing 9.2% of the population) lived with incomes below current standards of poverty. This included more than half a million children. As well, in 2015, about 701,000 Canadians lived in families that had family members in the labour force but were poor. While relatively low, Canada's rate for seniors in poverty was still 4.4 percent.¹¹ It's important to add that the federal government's data, derived from Statistics Canada, likely underestimates poverty, especially profound poverty, because homeless people and many Indigenous peoples are not included in the surveys.

Poverty is presented as a political priority by the current government, with the need to move to action on behalf of all Canadians¹² One of the key challenges of a national poverty strategy is its wide-ranging reach into the complex division of authority and responsibility between the federal, provincial and territorial governments for social issues such as health, housing, social welfare, social security, and the regulation of employment. It appears that the federal government has not yet engaged its provincial and territorial partners in the poverty discussion.

3.2 Political shifts

The Canadian political landscape underwent major political shifts in the transition decades between the 20th and 21st centuries. The welfare state that took shape in the post-World War II years gave way under the pressure of neo-liberal governments which, by the end of the 20th century had started to dismantle some of the legislation and principles of social security that had formed the basis of federal-provincial relations on health and social policies in the preceding decades.

By the turn of the 21st century, social welfare policies had been transformed by neo-liberal governments that had focussed federally on reducing the funding for social programs and eliminating restrictions on how the provinces and territories spend within the cash transfers within their jurisdictions. The underlying principle of meeting the needs of individuals was replaced with a business model that was focused on containing spending. Without national standards, the provinces moved back towards the pre-Canada Assistance Plan model of separating welfare programs for people with disabilities who were to be considered unemployable, from those for everyone else, who were to be considered employable.

Only the health sector was provided some measure of protection, thanks to the 5 principles of the 1984 *Canada Health Act* (accessibility, comprehensiveness, portability, public administration, and universality) that spared insured medical and hospital health services from a total transformation. Each of these principles acted as a safeguard for citizens that the provincial governments would continue to be involved in their health care if they were to receive funding designated for that purpose.

The same could not be said for the provision of social care services. As part of its austerity measures to address the growing federal deficit the Chrétien Liberal government announced the termination of the Canada Assistance Plan (CAP), along with significant reductions in federal funding for social assistance, social care services, post-secondary education and health care. CAP was replaced in 1996 with a cash grant to the provinces for health, social assistance and post-secondary education.

4. The Need for A New Social Policy

This instability in federal funding levels and the resultant cutbacks in social care services across the country has created considerable uncertainty and variability. New legislation should be brought forward by the federal government to outline the broad objectives for funds available through the Canada Social Transfer (CST) for the provincial and territorial provision of social care services. Given the widespread support for the *Canada Health Act*, its five principles are a sound and logical starting point for a new Social Care Act. To these five principles we added another five which we believe are necessary to ensure a reasonable standard of social care for all Canadians across the country.

Principles for a Canada Social Care Act¹³

The ten principles put forward here for a new *Canada Social Care Act* include the five which are a part of the *Canada Health Act* but adapted to the range of community and social services which are delivered and/or funded by the provinces and territories:

1. Public administration

This principle requires that provincial and territorial social care services be managed by a public agency, on a not-for-profit basis. It also requires that social care be delivered by either a public or a private but non-profit organization. It is recognition that social care services are best made available when the profit motive has been removed.

2. Comprehensiveness

This principle means that in each province or territory there is an agreed range of services included in social care. Each government is responsible for determining what comprehensiveness means within their jurisdiction. At the same time, they are willing to engage in a public consultation process leading to the determination of what should be included within their jurisdiction.

3. Universality

This principle means that all citizens can avail themselves of the same quality of social care services, as needed, throughout the province or territory. There remains the issue of authority and responsibility for social care for Indigenous people wherever they are resident within a province or territory. This legislation does not settle the issue, it simply means that as citizens all Indigenous people have the same rights as all other citizens.

Indigeneity will no longer be a barrier to the delivery of social services nor a reason for delivery in a culturally inappropriate way.

4. Portability

This principle means that citizens who move within provinces/territories or between provinces/territories should experience uninterrupted access to social care services as needed. This principle incorporates the ban on residence requirements which is currently the only limitation in place in regard to the Canada Social Transfer.

5. Accessibility

This principle means that there are no financial or other barriers to the provision of publicly funded social care services. Services are available to all Canadians as needed. Access does not preclude the possibility of a test of need, but this test has to do with the individual and social conditions of the applicant(s) and is not based on their financial resources. Each province and territory must show that access to social care services is not limited by a financial barrier. Each province and territory must outline the range of social care services available to meet the basic needs of the citizenry (also see Comprehensiveness above).

6. Fairness

This principle requires that all citizens have the right to apply for any publicly supported social program, and to have their application reviewed by an appropriate body within a reasonable period of time. Applicants have the right to a written decision within a reasonable period of time and the right to appeal any decisions taken within a reasonable

period of time, to have their appeal heard within a reasonable period of time and to receive a written appeal decision within a reasonable period of time. During the period of appeal, applicants have the right to temporary financial support and/or services.

7. Effectiveness

Citizens have the right to be assured that every attempt will be made to ensure social care services will work for them. Some services rely upon the relationship between a worker (service deliverer) and a client (consumer). Thus, the efficacy of social care services can sometimes depend on the efficacy of this relationship. Service effectiveness is dependent on the cooperation of both parties. Nonetheless, there is an agreement in the field that some approaches are more effective than others. Agencies and workers have an obligation to provide services as effectively as possible. At the same time, active participation is a responsibility of the citizen seeking service.

8. Accountability and Transparency

The principles of accountability and transparency mean that each province and territory will publish an annual report explaining how CST funds have been expended on social care. The report will make it possible for citizens to understand the costs of each type of service and the numbers of people being served.

9. Rights and Responsibilities

The principle of rights and responsibilities means that social care services are based on mutual responsibility where possible. Social care services should be established such that citizens have the right to apply for service, and the right to receive services if they meet the

criteria for the service. They also have the right to appeal decisions that are made about their application. At the same time, and based on mutuality, organizations delivering social care services have the responsibility to establish contractual expectations about the active participation of the citizen being served.

10. Comparability

The principle of comparability means that citizens should have a reasonable expectation that the services available to them are comparable to those available elsewhere within their province or territory and their available range of choices is broadly comparable to those available to them in other parts of the country. Provinces and territories have an obligation to take account of what is being offered elsewhere in the country and ensure that their citizens have available a range of broadly available choices of services to meet their needs.

5. Conclusion

The 2015 election saw a dramatic turn in the federal government approach to cut-backs in social programs in the name of austerity - the federal government has recognized increased social spending as a means to stimulate economic growth. There are, however, no standards in social care in Canada, and there is no leadership in trying to address inconsistencies in access to care and inequalities in outcomes. The market has not been successful in addressing these problems, and the austerity measures and the retrenchment

of social policy in both the Chrétien and Harper forms of neo-liberalism failed to provide for social care at an appropriate level.

This lack of consistency of access to social care services across jurisdictional lines is not acceptable and needs to be addressed. As is the case in health care, Canadians need assurances that social care services will be available as a matter of policy, and not at the whim of a political ideology.

Canada's experience in developing social policies offers valuable lessons which could serve to shape the principles guiding the development of 21st century legislation on social policy reform. A new *Canada Social Care Act* is an excellent way for the federal government to ensure that all Canadian can have access to a similar standard of social care. The original purpose of federal funding for social care services was to support people in need, and those who were likely to be in need in order to prevent poverty. The clear orientation of the Canada Assistance Plan was towards those people currently living in poverty, or those considered likely to be living in poverty due to factors such as precarious employment or other personal circumstances. It was further concluded that social care services should be available to all citizens, as any person may have a need for them at some time in their lives.

The principle of universality that is the hallmark of the Canadian health care system and citizens' rights to access health care when they need it are protected. Universally available community and social services are equally important as they are directed to citizens who need them - not necessarily all citizens - without distinction. This approach conveys

recognition that all citizens may need social services at some time.¹⁴

Social care that is widely available, on an as-needed basis, can make an important contribution to the quality of life of all Canadians through assisting them to exercise rights, assume responsibilities, and generally participate in the community. These are the same goals that are expressed in the National Poverty Reduction Strategy. Further, access to social care could be instrumental in assisting individuals, families and communities to prevent or change the social conditions that adversely affect them. These points speak to the objectives of the Canada Social Transfer which should be incorporated into a new social care act. Just as the Canada Assistance Plan had a preamble to express the purpose of the legislation, we suggest that a new Social Care Act have one as well.

With a set of basic principles that mirror those established in the *Canada Health Act*, a new *Canada Social Care Act* would bring consistency to the provision of health and social services to all Canadians regardless of where they live, and would provide a framework for the availability of resources for provinces and territories to manage the anticipated growth in the aging population, in the numbers of immigrants, and the reduction of poverty all of which will require a growth in social resources.

6. Recommendations

6.1 *A New Canada Social Care Act*

The federal government should draft legislation to entrench a set of principles to which the provinces and territories must be willing to agree in the expenditures of federal social transfer payments. The legislation would include the five principles of the *Canada Health Act* (CHA) but adapted to social care as well as five additional principles which are outlined here in this brief.

6.2 *A new federal department: Health and Social Care Canada*

The federal government should expand Health Canada's mandate to include the authority to ensure compliance under the new *Canada Social Care Act*. A new Directorate would duplicate the scope of responsibilities under Health Canada's current *Canada Health Act* Division and would administer and provide policy advice related to the *Social Care Act*. It would monitor a broad range of sources to assess provincial/territorial compliance with the principles of the Act, inform the Minister of possible non-compliance with the Act and recommend appropriate action. The new department would work collaboratively with the Federal-Provincial Relations Directorate at the Department of Finance with respect to administration of payments under the Canada Social Transfer (CST).



¹ Canada Assistance Plan, 1966-67, c.45, s.l, 711. Retrieved on May 6, 2018:

http://www.canadiansocialresearch.net/cap_statute.htm

² Ibid

³ Statistics Canada, *Labour Force Survey*, 2016.

⁴ Statistics Canada, *Canadian Income Survey*, 2014. Based on after-tax Low Income Cut-offs (LICOs).

⁵ Government of Canada. *Backgrounder on Poverty in Canada*, October 2016. Ottawa. Her Majesty the Queen in Right of Canada. p. 9. We do not have data on Indigenous people on reserve and on homeless people who together would raise the poverty rate.

⁶ From the Liberal Party of Canada's website. *Fighting Poverty*. Retrieved on May 6, 2018:

<https://www.liberal.ca/realchange/fighting-poverty/>

⁷ A more detailed discussion of the evolution of federal social programs in Canada is available in Moscovitch, A. & Thomas, G. (2015) *A New Social Care Act for Canada*. Ottawa. Canadian Association of Social Workers.

⁸ Statistics Canada (2017). *Population size and growth in Canada: Key results from the 2016 Census*. Ottawa. Component of Statistics Canada catalogue no. 11-001-x. Released Wednesday, February 8, 2017. Retrieved on May 6, 2018:

<http://www.statcan.gc.ca/daily-quotidien/170208/dq170208a-eng.htm>

⁹ Canadian Institute for Health Information [CIHI], *National Health Expenditure Trends, 1975 to 2010*, October 2010, p. 42, as cited in Deraspe, Raphaëlle (2011), *Canada's Aging Population and Public Policy: 3. The Effects on Health Care*, Library of Parliament, Ottawa. Retrieved on May 6, 2018. <https://lop.parl.ca/content/lop/ResearchPublications/2011-122-e.htm>

¹⁰ Roy-César Édison (2011), *Canada's Aging Population and Public Policy: The Effects on Economic Growth and Government Finances*, Library of Parliament, Ottawa.

http://publications.gc.ca/collections/collection_2012/bdp-lop/eb/2011-121-eng.pdf



¹¹ <https://jduclos.liberal.ca/en/news-nouvelles/minister-duclos-takes-another-step-in-developing-the-canadian-poverty-reduction-strategy/>

¹² Government of Canada (2016). *A Backgrounder on Poverty in Canada – October 2016*. Ottawa. Employment and Social Development Canada. Her Majesty the Queen in Right of Canada. Available from: <https://www.canada.ca/en/employment-social-development/programs/poverty-reduction/backgrounder.html>

¹³ A more detailed description of the 10 principles is available in Moscovitch and Thomas, *A New Social Care Act for Canada*.

¹⁴ Ibid.