

# There Should Be No One in Need

*Strengthening Our Social Foundations*

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CITIZENS *for* PUBLIC JUSTICE



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## Strengthening Our Social Foundations

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By Greg deGroot-Maggetti

After years of economic growth, Ontario's most vulnerable citizens had by 2007 not yet received a signal from their government that it was committed to the elimination of poverty and social exclusion. It was as if successive governments were basing policy on a familiar biblical quote: "The poor you will always have with you."

How many times have you heard that line?

It is usually invoked whenever someone talks about serious efforts to eradicate poverty. That famous quote from scripture, spoken by Jesus Christ no less, is often uttered as a fatalistic excuse for inaction.

But the Bible offers no justification for complacency when it comes to poverty. The passage that Jesus quotes ends with the injunction to be openhanded toward the poor and needy (Deuteronomy 15:7-8). Indeed, earlier in that passage from the book of Deuteronomy comes the assertion that "There should be no one in need among you." That claim flows from a promise from God to bless the land with abundance and a commitment from the people to follow the commandments laid out by God.

Those commandments included the Sabbath and Jubilee laws. Many people today may recognize the term "Jubilee" from the late 1990s campaign to eliminate the international debts of poor countries. Those laws also called for periodic redistribution of the means of production – land, grain and livestock. They called for public policies to allow periods of rest for all people, for animals and the land.

In our day, the biblical vision of justice and dignity for all is captured in documents like the Universal Declaration of Human Rights and the International Covenant on Economic, Social and Cultural Rights.<sup>1</sup> Just as God's covenant with the people of ancient Israel framed rules of social life meant to safeguard and advance recognition of the inherent dignity of each person, modern human rights instruments embody a contemporary expression of those ageless precepts.

A core biblical belief is that the human person — every person — has inherent dignity and worth because we are all created in the image and likeness of God. At the heart of those international human rights instruments lies the "recognition of the inherent dignity and equal and inalienable rights of all members of the human family" as the "foundation of freedom, justice and peace in the world." The International Covenant on Economic, Social and Cultural Rights states that "these rights derive from the inherent dignity of the human person."

The Covenant on Economic, Social and Cultural Rights spells out the basic rights each person should enjoy in order to live in dignity:

- The right to work, to freely choose one's work, to work in safe conditions and to be paid enough to enjoy a decent standard of living.
- Protection and assistance to families, including paid maternity leave and adequate social security benefit.
- The right to a decent standard of living and to social insurance.
- The right to be free from hunger.
- The right to enjoy the highest attainable standard of mental and physical health.
- The right to an education, including free primary, and the "progressive introduction of free education" at the secondary and post-secondary levels.
- The right to take part in cultural life.

The governments of countries such as Canada that signed the International Covenant undertook the public responsibility to work toward the progressive realization of those rights. But the social obligation to work for the full realization of those rights for everyone applies to all people and parts of society.

Many public policies help fulfill the obligations of the International Covenant on Social, Economic and Cultural Rights. Public funding for free elementary and secondary education, Canada's public health care system, minimum wage laws and labour standards, public funding for post-secondary education, employment insurance and Canada's public pension system all contribute toward fulfilling those rights. But those public programs were significantly weakened during the 1990s, as federal and provincial governments sought to eliminate fiscal deficits in part through dramatic changes to social programs.

In 1990, prior to the changes, 80 percent of unemployed workers received what was then called unemployment insurance. Tougher eligibility rules and lower benefit levels for employment insurance have meant that fewer than 40 percent of unemployed workers in 2005-06 were eligible for the employment insurance benefits for which they and their former employers paid.<sup>ii</sup> Jobless workers were hard hit, despite the fact that the employment insurance program ran multi-billion dollar surpluses in the late 1990s, surpluses used to reduce the federal debt and underwrite personal and corporate income tax cuts.

Dramatic changes were also made to Canada's social security program of last resort, social assistance.<sup>iii</sup> That program was funded through the Canada Assistance Plan, a national program through which the federal government shared the cost of welfare and other social programs with provinces. In an effort to cut expenses, the federal government placed a cap on transfers to Canada's three wealthiest provinces — Ontario, Alberta and British Columbia — then unilaterally ended the program, replacing it with the Canada Health and Social Transfer. It simultaneously slashed transfers to provincial governments.

Canada's social security system has still not recovered from that devastating blow. Health care funding delivered through a new Canada Health Transfer has been restored and actually increased. But funding for post-secondary education and social programs, delivered through the new Canada Social Transfer, has still not recovered to 1995 levels.<sup>iv</sup> Since there is no accounting for how that money is spent, it is impossible to say what portion is used for social services and social assistance versus postsecondary education. The evidence of the erosion in social transfers is apparent in persistent poverty, the ongoing need for food banks and a continuing crisis of homelessness throughout Canada. Caring individuals have tried to respond to our neighbours in need. But those charitable responses are nowhere near as effective as the public responses we have crafted as citizens and governments through programs like national health care and public pensions.

Canada cannot continue on this course if we wish to live in a just, healthy and economically vibrant society. Indeed, anti-poverty groups are not the only ones raising the alarm over the erosion of Canada's social foundations. Groups like the TD Bank and the Toronto City Summit Alliance have joined the chorus of concern over the need to rebuild Canada's social foundations. *Time for a Fair Deal*, the report of a broad coalition, the Task Force on Modernizing Income Security for Working Age Adults, underscores the seriousness of the problem, identifying it as a "smouldering crisis."

### **Rebuilding Canada's Social Foundations**

The foundations for durable solutions to the crises of insecure incomes, and inadequate food and shelter, can be found in two sources. First, in the principles enunciated in the International Covenant on Economic, Social and Cultural Rights. Secondly, in concerted efforts to eradicate poverty and social exclusion in our society.

While the Canada Assistance Plan (CAP) included national standards stipulating that social assistance be provided solely on the basis of need, without forcing recipients to meet work requirements and residency requirements and that social assistance was intended to meet minimum requirements of adequacy, the original intent of the Canada Assistance Plan went beyond providing basic assistance:

WHEREAS the Parliament of Canada, recognizing that the provision of adequate assistance to and in respect of 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; [Emphasis added]<sup>v</sup>

Thus, CAP's original intent provided for programs and services to remove the causes of poverty as well as providing assistance for persons in need. It is a sad testament to our state of public affairs that no province comes close to providing anything approaching an adequate level of assistance. Worse still, the aim of preventing and removing poverty seems forgotten in most parts of Canada.

A sign of hope lies in the creation of public action plans to eradicate poverty and social exclusion. Emerging first in response to the disastrous impact of structural adjustment programs in poor countries, the move to develop national poverty reduction strategies has also occurred in rich countries. It reflects the growing awareness that economic growth cannot guarantee an equitable distribution of income and wealth as well as the fact that inequality, in itself, is a major problem for society, not just for those left behind.<sup>vi</sup>

In 2000 the European Union agreed that each member country should implement an action plan to fight poverty and social exclusion.<sup>vii</sup> In Canada, Quebec unanimously passed legislation to combat poverty and social exclusion in 2004. Newfoundland introduced its action plan to reduce poverty in 2006. The Quebec and Newfoundland action plans built on the original intent of the Canada Assistance Plan.<sup>viii</sup> Each of those provinces spelled out its intent not only to improve the lives of people living in poverty but also to prevent poverty.

Effective action plans to combat poverty and social inclusion share some common elements.<sup>ix</sup> They are based on substantive consultation with those most directly impacted by poverty and social exclusion, as well as with agencies and community organizations working to combat poverty. They take a comprehensive approach that includes integrated action across all sectors of government and among different levels of government, as well as social partners. Targets and timelines are included.

If Ontario hopes to make real progress in reducing poverty it, too, needs to develop its own action plan. Just as Quebec's Act to Combat Poverty and Social Exclusion received unanimous support from all parties in the Quebec National Assembly, commitment to an Ontario plan of action deserves the support of all political parties. Combating poverty and social exclusion is not a partisan issue. Whichever party forms government will have to make choices about which tools to use to achieve the objectives of eliminating poverty. There will be grounds to debate the effectiveness of particular government actions. But there should be consensus on the need for all Ontarians to work toward a province where there is no one in need and where our basic human rights are more fully realized and respected.

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- <sup>i</sup> <http://www.un.org/Overview/rights.html> and [http://www.unhchr.ch/html/menu3/b/a\\_ceschr.htm](http://www.unhchr.ch/html/menu3/b/a_ceschr.htm).
- <sup>ii</sup> Toronto City Summit Alliance and St. Christopher House (2006) *Time for a Fair Deal: Report of the Task Force on Modernizing Income Security for Working-Age Adults*.
- <sup>iii</sup> National Council of Welfare (1997) *Another Look at Welfare Reform*, [http://www.ncwcnbes.net/htmdocument/reportanoloook/repanoloook\\_e.htm#\\_preface](http://www.ncwcnbes.net/htmdocument/reportanoloook/repanoloook_e.htm#_preface)
- <sup>iv</sup> Greg deGroot-Maggetti (2003) *The Size and Costs of Reduced Social Transfers*, Citizens for Public Justice; and Department of Finance, Canada Social Transfer, <http://www.fin.gc.ca/fedprov/cste.html> (accessed January 24, 2007)
- <sup>v</sup> [http://www.canadiansocialresearch.net/cap\\_statute.htm](http://www.canadiansocialresearch.net/cap_statute.htm)
- <sup>vi</sup> Richard Wilkinson (2005), *The Impact of Inequality: How to Make Sick Societies Healthier*, The New Press, New York,
- <sup>vii</sup> European Union (2000, 2002) *Objectives in the Fight Against Poverty and Social Exclusion*
- <sup>viii</sup> Government of Newfoundland and Labrador (2006) *Reducing Poverty: An Action Plan for Newfoundland and Labrador* and Government of Quebec (2004) *Reconciling Freedom and Social Justice: A Challenge for the Future. Government Action Plan to Combat Poverty and Social Exclusion*.
- <sup>ix</sup> National Council of Welfare (2007) *Solving Poverty: Four cornerstones of a workable national strategy for Canada*.