

# Has the Response to "Persons in Need" Changed in Saskatchewan Since the NDP Returned to Power?

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## **Introduction**

Equal Justice For All (EJA) is a low income peoples' advocacy and lobby group in Saskatoon, Saskatchewan which was formed in 1985. It was named by people on welfare who were victimized by the Saskatchewan Conservative government's social welfare "reforms".

Assistance cases have gone up 20 percent in Saskatoon since last year as dispossessed farmers and unemployed people move into the city. Never employed high school students, graduates and dropouts can not find work. Other experienced, unemployed people are forced onto the welfare rolls if they are unable to collect UI or move away. We believe that unemployment is at an all-time high in the Saskatoon region with the rates being closer to 25 percent than to 11 percent as UIC claims.

## **The Cost Shared Social Legislation in Question**

The Canada Assistance Plan of 1966 was intended to be the "just society" contract between the government of Canada and its poorest citizens "to offset the causes and effects of poverty". This act established a 50-50 cost sharing agreement with the provinces for all services paid for by the provinces which in turn had to pass complementary acts like the Saskatchewan Assistance Plan (SAP).

The acts promised to help "persons in need", those Canadians who could not fully or partially support their basic needs, health, training, and legal costs, regardless of the causes of their poverty. However, the provinces set the terms and conditions for eligibility. CAP requires only that the provincial governments treat all recipients "with dignity" and provide "adequate" assistance to meet their basic shelter (rent, heat, lights, water, sewer) clothing, personal, household replacement and food needs. Other needs such as short- or long-term care, aids for rehabilitation, and training costs will be cost-shared if they promote self-sufficiency and well-being.

## Before the Tory Era

The NDP was in power in Saskatchewan from 1971 to 1981. In 1978, advocates were calling for an evaluation of policies and practices of the Saskatchewan Assistance Plan. The Minister of Social Services appointed Dorothy Zarski, a respected social worker, who interviewed 448 recipients, Department of Social Services workers, local community service workers and poor people's advocacy representatives.

Her 1979 report, *Evaluation of the Saskatchewan Assistance Plan* identified lack of adequate benefit levels and services to meet basic needs as key issues. The disabled and the single parents needed much more to escape a hard and demeaning life.

Zarski re-emphasized the principles underlying SAP: the worth and dignity of the individual, the interdependence of members of society, and the right to assistance for those with demonstrated need. She argued that recipients could lose eligibility if they did not explore every possible means of self-support and/or seek rehabilitation. Zarski asked the Saskatchewan government to accept its reciprocal responsibility to provide opportunities to help them do so.

## SAP Under the Conservative Government 1981-1991

Despite the Zarski evaluation of 1979, Social Services Minister Dirks commissioned a career bureaucrat, Duane Adams, to again review the entire SAP caseload in the province in 1982. His report, *A Productive Welfare System For the Eighties*, agreed with Zarski that opportunities to enter or re-enter the work force were basically lacking. The Adams report also concluded that the SAP system needed reform to cope with an increasing and changing client caseload, to minimize the negative effects of poverty, and to prepare clients for new "productive opportunities". He also strongly recommended computerizing the system to free social work staff to "work intensively with high priority" clients.

But Social Services Minister Dirks' mandate was to get tough with welfare bums. How would he apply the Adams Report? Dirks lifted its rhetoric but not its intent.

There were 22,065 cases on SAP in 1979 before the NDP defeat. Two years after the Conservatives came in, welfare rolls had jumped to 29,455 "heads" (59,724 people) as a result of public and private sector layoffs. The Tories quickly eliminated measures of just social policy — accessibility, equity and accountability. Under the guise of simplifying payments, the Conservatives cut basic entitlements and froze them for the next ten years. People who were fired or who had quit a bad job were denied any welfare benefits even if pregnant. Saskatchewan's "welfare reforms" violated ten

provisions of the cost-shared CAP legislation. EJA reported these violations (with many case examples) to all levels of government but the federal, provincial and the city politicians ignored these unlawful policies along with the resulting severe deprivation and suffering they caused.

For example, single employables' clothing and household needs were eliminated, and their rent allowance was reduced from \$320 to \$210. EJA and recipient Murray Chambers won the largest ever human rights settlement against the Government of Saskatchewan for discriminating against single recipients. Lost benefits had to be paid back to all recipients who knew they could claim them. The government ended the discriminatory policy, not by increasing benefits for singles, but by reducing six benefits to married employables, including those with children.

Rent and utilities were "capped" well below cost in a province where heat and lighting costs are high and where telephone is essential for families with sick children or school age children and for job searches. Overpayments were instantly created, when welfare workers applied the "capped" utility rate, and later paid out actual utility costs and charged them back to the clients. These were deducted from welfare cheques with the highest recovery rate in Canada (10% plus 50% earning exemption). For example, \$150 a month was deducted from an employable family's benefit of approximately \$1,000 per month. Family allowances were deducted 100% from welfare cheques (a practice begun under the NDP). People were given no money for laundry and transportation allowances were eliminated. Nowhere else in the country is this cruel and unlawful clawback of a federal transfer to the poorest Canadians practised.

The Four Corner (Fed.-Prov.) Agreement of 1986 allowed funds from CAP to be transferred from basic benefits to pay for work and training placements if voluntary. In Saskatchewan such placements were made mandatory. These practices ignored CAP/SAP provisions and the United Nations Charter of Rights. Adams had found that unreported earnings caused only one percent of overpayments, and slow system error another one percent. In spite of this, the Conservatives set up a "fraud squad" unit of former police officers for "maintenance enforcement", instead of hiring additional social workers to manage the huge increases in caseloads.

16-18 years old were denied assistance unless they lived at home however unhealthy the home situations. Devine called this "love of our youth to discipline them at home". A new growth industry in Saskatchewan has been child hookers.

Adams and Zarski both had proposed more benefits to disabled clients, but they did not get a cost of living increase for 10 years. Despite his findings of work barriers for single parents, their earning exemptions, as well as that

of other "employables," were reduced. Single mothers lost income going to work as a result of the change in the earnings exemption.

The Conservatives had ten years to carry out a pro-business anti-poor agenda. The tax paying class benefitted for "needs" like home improvements, decks, and hot tubs paid for with matching grant programs, in addition to tax-free gas. The poor lived in fear of forced work placements, food bank lineups, fraud squad privacy invasion, child apprehensions, and being cut off benefits.

### **What Has Changed Under the NDP?**

After the NDP came to power, we had high expectations and new hope after a long darkness. In opposition, the NDP had conducted two major reviews of poverty and welfare injustices, the Task Force Forums on Hunger in 1986, and their *Report on Social Services in Saskatchewan: Neighbours in Need*, in 1987 in which they promised they would end hunger and the need for food banks. NDP spokespeople had promised to give poverty reduction and welfare justice high priority if they were elected. In the first year Social Services Minister McKinnon promised a "new direction" for the Department and consulted extensively with community organizations. For example, the CBC/NFB film, *Voices From The Shadows*, records her bureaucrats (not her) coming to a meeting with recipients at EJA.

The NDP government made some superficial improvements in treatment and some real increases in benefits, which fulfilled a few of their pre-election promises. Adult employable welfare recipients received a \$55 increase, by restoring their legal right to clothing and household needs. Single mothers received \$40 to provide for the needs of one child. Those with more than one child received no additional monies for those additional children. Hunger and poverty among school-aged children and younger children at home remains a serious problem. The right to an advocate and the right to empowerment are finally being promoted at the ministerial and the executive levels. EJA members are now invited to be consumer critics of the system.

The "25 percent" increase in disabled person allowances demonstrates the illusory way the NDP has handled changes. Much was made of the 25 percent figure. Under the Conservatives, "unemployable" clients received \$225 as a basic needs allowance. The NDP reduced this to \$195, then topped this figure up by \$40 for the severely disabled alone. The outcome was a net increase of \$10 monthly for *some* disabled persons, and a net loss for most. In terms of buying power, after ten years of frozen benefits, this increase has had virtually no effect.

But many promised changes have not yet happened, and the NDP has brought in even more cuts. After 16 months in office, the NDP government

announced reductions to the universal dental and drug plans, and cuts to NGOs and to health and welfare service jobs, all in the name of a "wellness" approach to service delivery. At the same time, the government has actively promoted the overall ill health of the province through the purchase of 2,500 video lottery terminals (VLTs) as an expansion of the lottery program. While an effective way to get those dollars into the government's coffers, VLTs accomplish their goal, by taking prosperity generating money from circulation in the community while creating no new dollars. The poor who play the lotteries have even less money for rent, food, or a bus pass (benefits not increased or restored by the NDP). At the same time winning at bingo or VLTs look more attractive than food bank handouts to get supplementary benefits.

Poverty and hidden hunger remained entrenched as a fact of life for those on welfare. Our initial hope has now been replaced with general despair.

### **Going into Year Two with the NDP**

EJA welcomed the recent appointment of Pat Atkinson as Social Services Minister. She appeared to be connected with and responsive to the poor and their issues. Early in her tenure, Atkinson and two inside workers' representatives came to call on EJA. We learned that the Social Service workers' calls for policy changes are identical to those of EJA members and that we shared similar long-time frustrations. Both EJA and worker lists called for:

1. Putting an end to capped utility rates that were the chief cause of overpayments (that in turn eroded food and clothing allowances);
2. Stopping the collection of overpayments from allowances 50% below the poverty line (try living this reality even without deductions);
3. Stopping the deduction of federal child benefits from Saskatchewan welfare benefits;
4. Stopping the practice of forcing recipients to take advances at \$60 month for replacing essential items like beds, etc. instead of accessing special needs funds allowed under CAP.

As a result of EJA and inside worker demands, Atkinson has made several small concessions. Overpayments are still recovered at the same high rate, but workers now can decide on written request (from those recipients who know they can ask) to lower the rate. A family of four persons, for example, with an overpayment which is being recovered at a rate of \$100 (or more if employed), can have this repayment rate reduced to \$60 or \$40 per month.

Benefits to children will be increased only \$5 on July 1, 1993 for families on welfare, as the NDP's commitment in this budget to offset the causes

of child poverty (a very long way from a mandate to stop it!). Despite the possible finding that deducting a federal tax transfer is unlawful, they continue to take away the same family allowance portion of the new federal child benefit—despite the reality that children of the poorest are the only group that gets no new federal dollars with the new Act. Both Finance Minister McKinnon and Social Services Minister Atkinson's response to an outraged EJA was that "the families won't be any worse off."

During the recent employees' strike, Social Services executives were called upon to do front-line work and the bad treatment of clients became glaringly obvious to them. It was impossible to differentiate picketers on the sidewalks from welfare recipients who were trying to get essential services. EJA has again been lobbying administration and politicians to reduce caseloads (some 400 per worker, now projected for Saskatoon region) and to stop the practice of the abuse received by the Department's workers being transferred to clients.

Some "inside" social workers had kept their ethics intact. Other social workers' names still come up repeatedly to EJA as being the source of much unjust treatment.

Treatment with dignity is now supposed to be guaranteed, but EJA is still appealing numerous abusive situations which arise daily. Another significant improvement has been made as of April 1993: the cap on utility entitlements has been removed and adequacy has been restored for this one benefit area.

The Social Services Department, this year, received a \$52 million increase in the 92-93 budget, the only department whose budget increased at all. Because the Social Services Department includes Legal Aid, Corrections, Young Offenders and Child Welfare Services, only about \$9 million of the \$52 million increase will go directly to poor people. But a 20% increase over last year in the numbers on assistance will eat up most of that \$9 million and leave little for improved benefits and services.

The government's Throne Speech stating its commitment to its most vulnerable citizens through increased income security and job creation through New Careers sounds identical to earlier Tory rhetoric defending that administration's job creation strategies of short-term placement at minimum wage. "New Careers", begun by the Tories has been "enhanced" to continue financing short-term placements (now voluntary to meet CAP requirements), with more in NGOs than in for-profit enterprises. Both Tory and NDP governments' rehabilitation policies lock the poor into low pay futures or prepare them for a job market where jobs are non-existent. Poor people welcome training placements, but short-term job creation "strategies" for people without money can be a destructive investment in brief hope.

We leave the last words to Brenda Vilorio, an EJA volunteer advocate who is a pre-Social Work Student, off one perilous income for herself and three children (SAP) onto another (student loan).

The belief that people on welfare choose to be stigmatized due to laziness is unfair . . . there is a unique situation in every case . . . unemployment, student loans, minimum wage standards, mental and physical disabilities, single parent families, youths alone, situations often, at least temporarily, beyond the individual's control. In low income situations, women are the majority and we are affected most.

Thirteen percent of the Saskatchewan budget goes to all Social Services. Only 6 percent comes to the poor in the form of income security. Those on social assistance who also work or take training, can lose entitlement to benefits, owe baby sitters (or lose sitters due to late or non-payment) or they may be "overpaid" and have monies recovered at 10% rate of the monthly entitlement even when recipients live 50% below the poverty line. This is not empowerment or self sufficiency. It leads to frustration and to lack of motivation — defeating the intention of the legislation.<sup>1</sup>

#### NOTE

1. Presentation to House of Commons Sub-Committee on Child Poverty, 1990.