

## The Rae Government and The Poor: Dashed Hopes and Broken Promises

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A short while ago, Premier Bob Rae made a speech at the Ontario Institute for Studies in Education that marked a pivotal moment in his conversion to neoconservatism. In a particularly candid frame of mind, he addressed the question of 'welfare reform'. His comments have sent shock waves through the ranks of his supporters and former supporters. Doing his best Archie Bunker impersonation, the NDP Premier of Ontario told his audience that, when it comes to the 1.2 million Ontarians on welfare, "we can't continue to pay people to sit at home." When pressed on the thoughts of Bill Clinton around cutting recipients off after two years, Rae suggested that the new President's notions were "not a million miles away from what we are looking at."

Of course, we're not shocked to know that politicians have such views. Ontario Tory Leader, Mike Harris, says this kind of thing on a routine basis. Local county reeves say infinitely more inflammatory things all the time. But these rednecked musings came from a New Democrat and an individual who has had no lack of experience in allying himself with the demands and aspirations of the poor. What lies behind this devastating transformation? The systematic abandonment of the NDP's 'social justice agenda' can't be explained at the level of a clinical examination of their social policy orientation. To get to the root of the Government's backsliding, it's necessary to place the matter in its political context. During the last election, I attended a rally in St. Thomas, Ontario of unemployed auto workers. Then Leader of the Opposition, Bob Rae addressed the crowd and outlined a very definite perspective with regard to defending the needs of the vulnerable in the face of the economic recession that was, at that time starting to develop. Rae made it very clear that he was not out for any radical confrontations with the rich and powerful, but, at the same time, he stressed that an NDP Government, if it couldn't eliminate the suffering or prevent job loss, would at least 'stand up to the vested interests.' That, I would argue is exactly what Rae and his Government have failed to do.

It's quite clear to those of us in the anti-poverty movement that a very definite 'corporate agenda' is at work in this Province and throughout North America. All barriers to capital mobility and 'competitiveness' are being

removed and social programs, especially those relating to income maintenance, are being targeted for destruction. The economic depression has advanced the speed of this process, but at the same time, we are dealing with an ongoing process of 'structural adjustment' that will not be halted by whatever economic recovery starts to emerge. Mass unemployment and a mounting need for social assistance support has become a fact of life for the foreseeable future and just as surely UI and welfare are on the chopping block. The major business lobbies demand the knife for Unemployment Insurance and welfare with mounting insistence. They know well that the ability of the unemployed to collect benefits of even the most modest kind limits the capacity of employers to drive down wages and compete with the Mexican maquilladoras. They know that the option of single parents or the disabled to withdraw from the labour market on long term 'family benefits' programs undermines the overall vigour of the low wage ghetto. They are demanding cuts to and the eventual destruction of these programs, and any government that might resist is in for a rough ride.

Into this political crucible came Bob Rae and his fellow advocates of a kinder, gentler social contract. At the beginning of the decade, Rae would often insert into his speeches a line about 'the love we owe each other.' When, as Premier, he tried this out on Bay Street, they informed him that they had given at the office and had no intention of letting the Government of the largest province in the country take a stand against their blueprint for international success. When the NDP's first budget, in 1991 tried in a thoroughly timid way to 'fight the recession not the deficit,' the corporate lobby went wild. In addition to their conventional pressure methods like downgrading credit ratings and moving out investment, we saw actual 'bluesuit' demonstrations of business leaders and stockbrokers on the lawn at Queen's Park. (When they all assemble in one place, they can actually make a crowd!) Early on in its mandate, then, the NDP was confronted with a choice between fighting for its 'Agenda for People' or caving in to precisely the 'vested interests' it had vowed to stand up to. Being a parliamentary shadow boxer, Rae has never entertained a serious social struggle of this kind. Abject surrender to the 'vested interests' was an option he preferred and that's just what we have seen from his Government.

The scale of the political capitulation has been breathtaking. Even though the Ontario debt load is far less daunting than that of many other provinces, the NDP Government has gone over to straight Tory rhetoric in the area of 'fiscal restraint.' We are 'mortgaging our future' and 'borrowing from our Mastercard to pay off our Visa card,' the Premier never tires of telling us. It's striking that the resulting austerity measures are invariably directed towards those who have the least to sacrifice. The pre election platform of the NDP advocated tax reforms that would have seen

minimum corporate taxes, speculation taxes and wealth taxes. Some estimates put the revenue that might have been generated in this way at about \$7 billion (a nice dent in the \$12 billion 'out of control' deficit). None of these measures, however, have been taken. Instead, we have seen drastic cuts to health and social services. Transfer payments to municipalities, universities, schools and hospitals have been hacked. This has had an especially sharp effect on poor people and welfare recipients. The local welfare administrations, having to partly fund social services, under the Ontario arrangement, have unceremoniously slashed discretionary programs covering anything from medical and dental needs to rental and hydro payments for recipients.

Nowadays, if the poor seek the education that Bob Rae tells them is the key to their rehabilitation in society, they will find the institutions of learning cash strapped and will suffer as a result of the NDP's decision to eliminate student grants in favour of a loans system. If they are sick, a chunk of the Ontario Drug Plan has been cut and their options are reduced. If they check into a hospital, they will find bed closings and staff cuts will hit them hard. With mass layoffs in the public sector on the horizon, this undermining of services can only be expected to worsen.

It's probably in the area of social assistance reform, though, that the NDP has opted for a course of action that most completely contradicts the promises and philosophy of their past. The pre-election 'Agenda for People' spoke of the need to provide decent and adequate income for those on social assistance. That has gone out of the window. In Metro Toronto alone, 160,000 people line up at food banks each and every month. Yet this year, the Government chose to increase welfare payments by only a miserly one percent. With inflation reckoned in the 2.5 percent range, this is a cut in spending power. It will be a matter of historical record that it was a New Democratic Party Government that actually began the job of cutting the adequacy of welfare in Ontario, a truly staggering development.

It's not, however, simply a matter of some trimming of the cheques, as vile as such a move is in and of itself. The NDP is moving in the direction of an overtly right wing or corporate model of welfare reform. It is lining up with the 'workfare' direction being followed by many other North American jurisdictions. The anti-poverty movement recently obtained and leaked a Government document that offered us an inkling of what Rae and his cohorts mean by 'welfare reform.' The document lays out plans to "ensure that social assistance is transformed into an active labour market strategy." The Social Assistance Review Committee's original idea of a system of voluntary 'opportunity planning' is rehashed and steered in a most unsavoury direction. Training schemes, counselling services and direct job placements would be forced upon welfare recipients. Those who spurn their share of

the 'mutual responsibility' would have their benefits reduced. It takes very little imagination to realize that we are dealing here with precisely the kind of indentured servitude that has been sanctioned by Quebec's infamous Law 37. It's not just that some new expectation of looking for work would be created for the unemployed on welfare. Section 3 of the General Welfare Assistance Act is already most clear on the obligations it imposes on recipients to look for work. No, what we are dealing with here is a category of sub-employee who has been handed over to the employer and who, should he or she earn that individual's displeasure, faces a return to welfare at an even lower rate of benefits than previously.

For some recipients, however, job seeking is a new issue in this document. It suggests that single parents should be forced to take employment once their children reach a certain age. A suggestion of twelve years old as the cut-off point is floated. This is highly interesting, since under the State of Georgia's Bill 85, single parents refusing to take low paying jobs would face the loss of their Aid to Families of Dependent Children benefits if their kids were twelve or older.

The document is also anxious not to let the disabled off the hook. It takes issue with the recommendation of the Government's own Advisory Group that there be "two categories of beneficiaries . . . persons with disabilities and everyone else." The authors contend that such an outlook can't be tolerated "if social assistance is to be an active labour market strategy and . . . a more inclusive approach may be more suitable." This sounds ominous but somewhat vague. Clarification, however, comes soon. The authors pose the question, "should mutual responsibility expectations be structured to respond to the degree to which a person's disability creates a vocational impairment?" In other words, many disabled people would be forced to take a place in the low wage ghetto. At the moment, if you call the Pizza Pizza company in Toronto and place an order, you will actually be put through to someone working for a less than handsome reward out of their home. These homeworkeer dispatchers are often disabled. This is but one example of the brave new world of 'mutual responsibility' that Bob Rae and his friends are developing.

Of course, this kind of response to government debt, the pressure from business and the realities of the 'jobless recovery' of the '90's is not unique to the Rae regime. But it's significant that this social democratic Government has been shown to offer no protection to the poor. At street demonstrations these days, the chant is often taken up of "Hey, Rae, what's the story — You've been acting like a Tory!" That rather says it all. The Federal Tories are slashing provincial transfers and Unemployment Insurance. Rae contributes to the process by cutting social services and refashioning the Ontario welfare system into a direct conduit into the cheap labour ghetto.

He and his Government are laying the groundwork for the even more vigorous attacks that we can expect from the Liberals or Tories who will inherit his job. The sharp reality, in fact, is that poor people in Ontario are already dealing with a Tory Premier (though we hope that his Party's rank and file have not yet had their final say on this).

I don't want to present the situation as hopeless. If the history of social legislation and policy is examined, it's fairly readily apparent that providing assistance to the unemployed and poor has never hinged on the kind-heartedness of those in political power. Unemployment relief was forced out of governments in the '30's by restive social movements. Welfare has always been as adequate as it had to be to prevent social unrest and as inadequate as those in power felt they could get away with. Today in Ontario, people are again taking to the streets to defend social services, UI, and welfare. As this occurs, it's a sad comment on the real value of Bob Rae's 'social justice agenda' that the poor people and their allies find themselves on a collision course with his wretched excuse for an NDP Government.