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Workfare: A Low- wage strategy for the Canadian economy

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Introduction

Workfare must be considered as part and parcel of efforts to reshape the Canadian economy in a manner more favourable to employers. They are doing this by eroding the social wage and demonizing those who require social assistance.

Through the tax system, workers put in place a means to ensure that severe deprivations, often associated with periods of unemployment or mishap, are prevented. An income floor was built beneath Canadian workers.

Most Canadian jurisdictions now have a work-for-welfare program in place. Given the overwhelming body of literature demonstrating the ineffectiveness of workfare¹ programs it could be seen as surprising that a growing number of policy makers are embracing it. Workfare must be considered as part and parcel of efforts to reshape the Canadian economy in a manner more favourable to employers. They are doing this by eroding the social wage and demonizing those who require social assistance.

The majority of social assistance programs in Canada arose in the post-World War II period. Experiences with the Great Depression and increasing public demand for income security pushed somewhat reluctant governments to introduce these measures. Many analysts refer to the body of these publicly run supports as the social wage. This provides us an interesting way to think about these programs. Through the tax system, workers put in place a means to ensure that severe deprivations, often associated with periods of unemployment or mishap, are prevented. An income floor was built beneath Canadian workers. Education, health care, workers' compensation and social assistance are a complement to the wage earned by workers. Individually paying for any of these items could bankrupt and impoverish a worker, but by being collectively funded through the tax system and made universally accessible, they are available to all.

This had a number of dramatic effects on the Canadian workforce. To begin with it eroded the employers' ethos that "any job is a good job". While social assistance paid less than the majority of waged work it still provided an option to workers. If pay is so low that welfare becomes a preferable option then that job is a bad job. Workers could face periods of unemployment or ill-health without fears of being forced into destitution.

But we all know that income alone is not the sole criteria of a good job – though it is a fairly significant aspect. Dangerous or life-threatening work can constitute a bad

¹ Note that while subtle differences exist between welfare-to-work and workfare programs, the two terms are being used here as interchangeable.

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A number of analysts have made the comparison to the work camps of the Great Depression. This is a valid comment to make when you consider that both programs arose at a time when the economy was unable to provide enough jobs to meet demand.

job. Workplace harassment and violence creates a negative work environment for many. By providing a possible escape from these workplace experiences a significant pressure was placed on employers to improve on-the-job practices.

This is not to deny the important role played by trade unions in securing higher wages, health and safety, and workplace protections. Indeed it is arguable that they were central actors in these gains. But gains made in any area of working life reverberated throughout the economy.

Accompanying the rise of the welfare system were strong social movements that increased the visibility of those individuals on low-income. While it would be inaccurate to argue that the stigma associated with being on welfare disappeared, there was a general consensus that providing income support was right and just.

These two aspects of the social wage have been an anathema to business ever since the first steps towards building the safety net. Effectively, social assistance provided a means of ensuring that workers were not solely dependent on whatever the employer gave them. Erecting a floor beneath them and protecting them from social ostracism allowed workers to be more selective about the work they chose. This has had a definite upward pressure on wages and workplace conditions. All of which is considered bad news by the “globally competitive” employer.

A number of analysts have made the comparison to the work camps of the Great Depression. This is a valid comment to make when you consider that both programs arose at a time when the economy was unable to provide enough jobs to meet demand. Will the restrictions on attaining social assistance similarly result in increasing numbers of people unemployed and destitute?

By cutting the range of supports available to working people and making life on social assistance brutally unattractive, governments are attempting to discipline the workforce, and by extension their representatives in the trade union movement. It is believed that by removing protections that wages will fall and investment in Canada will rise. This may make sense to some economists, it

makes no sense to workers.

The experience of welfare-to-work programs in Canada has now sufficiently progressed to say that many of the critiques originally made by the National Union have been borne out. This paper will provide a general overview of workfare programs in Canada, give a critique and look at future trends.

The end of CAP and the rise of workfare

As of April 1, 1996, workfare became a fully legal policy option for Canadian provinces. This date is remembered as the end of the Canada Assistance Plan (CAP), a funding mechanism. Since 1966 CAP had provided provinces with up to 50% of their social spending needs in return for compliance with certain conditions.

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As of April 1, 1996, workfare became a fully legal policy option for Canadian provinces. This date is remembered as the end of the Canada Assistance Plan (CAP), a funding mechanism. Since 1966 CAP had provided provinces with up to 50% of their social spending needs in return for compliance with certain conditions. One of these conditions was the interdiction of making social assistance recipients work in order to receive benefits. CAP was replaced by the Canada Health and Social Transfer (CHST), which imposes far fewer restrictions and no longer prevents provinces from using federal money to implement work-for-welfare programs.

Accompanying the CHST were dramatic cuts to the funding of social programs. Cash-starved provinces were forced to re-think and re-tool the delivery of welfare in their jurisdiction. Some provinces, like Ontario and Alberta, used the opportunity to severely reduce funding to social assistance and introduce a variety of aggressively anti-poor measures. As a consequence, the types of welfare programs offered nationally vary between the provinces and territories. This makes evaluating and comparing the implementation of welfare-to-work programs difficult.

National Child Benefit

The introduction of the National Child Benefit in the 1997 Federal Budget has played a role in furthering the welfare-to-work programs in Canada. While promoted as a means to address child poverty it has had the effect of increasing hardship on those families whose source of income is social assistance.

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Basically the program provides a subsidy, in addition to the Child Tax Benefit, to all working families whose income is below a specified threshold. Having crossed the threshold the benefits are gradually scaled back. The caveat on this program is that provinces and territories are required to reduce social assistance payments to families in the amount that the NCB exceeds the Child Tax Benefit. Provinces and Territories are then expected to redirect the savings achieved in this manner to programs to reduce child poverty and to “promote attachment to the workforce.” Most provinces have now established these reinvestment programs and we are seeing increased welfare-to-work pressure placed on social assistance recipients.

The National Child Benefit has both positive and negative aspects to it. As a benefit targeting low-income families it recognizes the problem of poverty in Canada and takes steps towards addressing it. But, because the amounts are deducted from social assistance recipient families it means that those with the lowest incomes receive no benefit. Indeed when combined with reinvestment welfare-to-work strategies it will ultimately have a detrimental effect on families on social assistance. Hardly an effective means to address child poverty.

Workfare Does Not Work

Welfare recipients who participate in provincial workfare programs are not covered by standard labour codes. They cannot join unions, have no rights to minimum wage and cannot take statutory holidays, rest periods or vacations. If it was up to the governments promoting workfare programs, social assistance recipients would have to accept any type of job, regardless of the working conditions or pay.

i no savings

Large scale workfare programs simply do not work! The primary weaknesses of workfare programs are: the growing number of individuals receiving benefits, the insufficiency of public funding to finance their eventual reinsertion into the workforce, and the lack of interest from the private sector regarding any type of

the insufficiency of public funding to finance their eventual reinsertion into the workforce, and the lack of interest from the private sector regarding any type of jobs not subsidized, at least in part, by any level of government.

Recent statistics show that the income level of social assistance recipients, in all provinces and territories, is well below the Low Income Cut-Offs (LICOs) established by Statistics Canada.

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jobs not subsidized, at least in part, by any level of government. A National Council on Welfare report indicates that New Brunswick's NB Works program costs about \$59,000 per person if they complete the program (there is a 60% dropout rate for the program). The only job creation that NB Works can point to were those hired to oversee the program. This is a tremendous waste when you consider how much better the use of increased staff resources could be put. In Quebec the program has been largely abandoned as too expensive and ineffective as a job creation strategy.

In the United States, where so many of our legislators look for inspiration, many states have similarly retreated from their welfare-to-work programs. The costs were simply far too high when considered against the benefits. Two examples are Florida where for every \$1 spent on a workfare program only 16¢ was saved, and in Georgia every \$1 spent only saved 20¢.

ii increased poverty

Recent statistics show that the income level of social assistance recipients, in all provinces and territories, is well below the Low Income Cut-Offs (LICOs) established by Statistics Canada. Workers earning minimum wage or on employment insurance similarly fall below the LICOs. While unemployment rates have shown a positive trend in the past year the real rates remain quite high in many regions.

As was previously mentioned, the National Child Benefit is deducted from the benefits received by a person on social assistance. This means that relative to low-income wage earners those on social assistance and workfare have fallen considerably behind.

iii less support and training

Despite government commitment to the general well-being of children the age at which single parents, possibly the largest proportion of welfare recipients, are deemed as eligible for work is declining. In the past parenting was thought to be a form of work and sufficiently valued to delay the designation of work readiness until a child left school. Currently Alberta

of child care support.

For the most part though, cost restraints have meant that training and preparation for the workforce has focused on the shortest possible route to employment. Many administrators have highlighted the lack of coordination with the wider range of options available to those receiving employment insurance benefits.

This highlights a significant difficulty with most work-to-welfare programs. The main measure of success has been reduced cost to the government. By using a cost-benefit analysis, people leaving the welfare rolls for life on the street is considered a success.

considers single parents as work ready when their children reach the age of six months with most provinces setting the age at seven years. Furthermore, while most provinces do provide some child care subsidies for those on social assistance, the amounts are generally insufficient to cover real costs. Increasingly, single parents are placed in the double bind of being forced onto workfare when their children are still quite young without an appropriate level of child care support.

Support for job training and placement programs is increasing but at a slow pace and to an insufficient extent. Some jurisdictions have identified it as a greater priority than others and acted accordingly. For example, in the Northwest Territories more than 30% of welfare recipients are under the age of 25. The welfare-to-work program has instituted a higher level of training to respond to this situation. For the most part though, cost restraints have meant that training and preparation for the workforce has focused on the shortest possible route to employment. Many administrators have highlighted the lack of coordination with the wider range of options available to those receiving employment insurance benefits.

iv poor results

Most governments who have implemented these programs have declared them great successes. While it may be true that the number of people receiving social assistance has declined in some provinces, it is unclear exactly where they went. Many have acquired employment with a rising employment rate. Others undoubtedly have ended up homeless or making other living arrangements. Of those who are in waged work there is very little data available about the nature of the work being done or the employment status of the individual (full-time, part-time or casual). This highlights a significant difficulty with most work-to-welfare programs. The main measure of success has been reduced cost to the government. By using a cost-benefit analysis people leaving the welfare rolls for life on the street is considered a success.

All the evidence suggests that welfare-to-work

Privatizing state welfare services is not as ludicrous as it initially sounds. Our neighbours to the south have experimented with just such a policy option, largely unsuccessfully, over the past two decades. We must be prepared for its gradual introduction into Canadian jurisdictions.

The Canadian social services and health systems used to be the envy of many countries, including the United States. Sadly, the federal and provincial governments are slowly destroying our Welfare State and ripping our social safety net at the seams.

programs do not work. Still we see governments pushing ahead with them. Obviously the purpose is more broadly political than helping people.

Future Trends: The Privatization of Welfare?

There is an ancient torture usually referred to as "Death by a Thousand Cuts." Without becoming too graphic in the details, the victim receives a barrage of small non-life threatening cuts until the cumulative effect results in death. The analogy to the agenda of many provincial governments is obvious. While no government in Canada has yet outright privatized the provision of social assistance they have embarked upon a policy of cutting and contracting out services with the obvious goal of eventually privatizing what is remaining.

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The Canadian social services and health systems used to be the envy of many countries, including the United States. Sadly, the federal and provincial governments are slowly destroying our Welfare State and ripping our social safety net at the seams. In fact, Canada's governments are totally blinded by our southern neighbours' social policies and are leaving the door wide open for the American companies to take us over. A frightening article that appeared in an issue of the Economist (January 25, 1997) is a chilling example of what could happen in Canada in the near future. Here is an excerpt:

"Deep in the heart of Texas, there are rumbles of a revolution. Three bidders -- Andersen Consulting, the world's biggest consultancy firm, and groups led by Lockheed Martin, the world's largest defence contractor, and by Electronic Data Systems, a huge information services group -- are competing for a five-year contract that may mark the biggest transformation of the 1990s in the role of

government. The winner will be paid to run the entire state welfare system. Almost every aspect of welfare, from determining whether a claimant is eligible for help, to preventing fraud and making the payments, will eventually be in private hands. In the future, Texans who claim state-financed income support, health care and food coupons, or who take part in job training, drug rehabilitation and pregnancy prevention programs, may never see a civil servant. [...] The welfare reform law signed by President Clinton in August 1996 has allowed states far more flexibility in the use of private contractors. Under the legislation, the federal government will no longer set detailed administrative rules. Instead, states will receive a lump sum to spend as they wish. (sound familiar?)

“[...] Another profitable niche is finding work for welfare recipients. EDS (Electronic Data Systems) and three small firms -- Maximus, America Works, and Curtis and Associates -- have won contracts from city governments to do so. States like privatizing welfare-to-work because the private sector takes all the risk. Companies are paid only if they place clients in jobs. This business will boom, thanks to Clinton's welfare reforms, which threaten to strip states of their federal money if they fail to get at least half their recipients into work (compared with about 10% now)” (1997:55-56).

We shiver at the thought of having our social services handed on a silver platter to for-profit private companies. It doesn't make any sense, we don't treat our less fortunate as if they were pawns in a corporate world.

U.S.-based Andersen Consulting could also earn as much as \$180 million over the next six years for advising the province on how to cut costs in the management of the welfare system.

Surprise, surprise, on February 18, 1997, the Ontario Ministry of Community and Social Services entered into a contract with Andersen Consulting to work together in a business transformation to support social assistance reform and, ultimately, the government plans for social and community health services. The government officials say that the new system, called the Business Transformation Project, will be more cost-effective, will reduce overpayments, fraud and system abuse. U.S.-based Andersen Consulting could also earn as much as \$180 million over the next six years for advising the province on

The social assistance proposed reforms tend to revolve around two main themes: (1) Privatization by way of awarding contracts to job placement agencies; and (2) Technological change by introducing new computer systems, a.k.a. client/server systems.

how to cut costs in the management of the welfare system. According to Janet Ecker, the current Community and Social Services Minister, the firm will not be involved in the policy area of welfare. It will however overhaul the management of the social assistance system. Recently, the New Brunswick government also entered into a contract with Andersen Consulting to oversee the reform of the social assistance program and to introduce a new computer system.

Impacts on Service Providers

Often overlooked in the welfare reform scheme are the providers who handle the social assistance caseloads throughout the country. The social assistance proposed reforms tend to revolve around two main themes: (1) Privatization by way of awarding contracts to job placement agencies; and (2) Technological change by introducing new computer systems, a.k.a. client/server systems. These two themes are already being introduced in Ontario.

Recently, Andersen Consulting convinced the Ontario government to introduce a high tech work study to the Ontario Disability Support Program, a provincial social assistance program, and soon to other welfare offices. Employees are required to wear small electronic devices which will monitor their activities throughout the day. The device beeps on a regular basis and the employee is expected to record their activities at that time.

In another Ontario horror story, the Regional Municipality of Ottawa-Carleton is facing cuts in its funding from the province for being too good at placing social assistance recipients in jobs. A number of municipalities raised opposition to the introduction of workfare into their regions. The province responded by instituting workfare placement quotas, which if unmet, would result in funding cuts. The RMOC has a better than average rate of placing people in jobs, but has done so at the expense of people who are forced onto workfare.

Another aspect of the shift to workfare type programs has been the resultant integration of welfare and employment

As we have seen, workfare just doesn't work. Governments have been trying to implement it, in some form or another, for the last 25 years.

For a long time now, the different levels of government have been winning elections on the basis that they are going to create lots of jobs for everybody -- it still hasn't happened. They are not living up to their responsibilities towards the country's poor who would like nothing

services into one office. The provinces of Saskatchewan and Newfoundland, along with the Yukon and Northwest Territories, have social assistance and employment services share offices as well as computer networks with the federal offices of Human Resources and Development Canada. Social assistance recipients are still ineligible for most services provided to employment insurance claimants. While it is still early in the process there are fears that this will ultimately result in job losses.

Conclusion

As we have seen, workfare just doesn't work. Governments have been trying to implement it, in some form or another, for the last 25 years. Making people work for basic welfare payments will not solve the ever growing caseloads of social assistance recipients. It will however, stigmatize and marginalize individuals who have to rely on social assistance to get by. Another reason why workfare won't get people off welfare and into the workforce is that the demand for work far exceeds the number of available jobs, even when we take into account the jobs which, for whatever reasons, have no takers. Moreover, the jobs that social assistance recipients are being offered are too precarious. They do not involve a lot of training, they are short-term and let's say it, many of them are downright demeaning. Forcing people into jobs that nobody else wants to do hinders the possibility that workfare "recipients" will ever obtain quality full-time jobs in the labour market.

For a long time now, the different levels of government have been winning elections on the basis that they are going to create lots of jobs for everybody -- it still hasn't happened. They are not living up to their responsibilities towards the country's poor who would like nothing better than to be a member of the workforce and to better their lives. Long gone are the days of Lester B. Pearson's "war on poverty", when CAP was created. Back then, it was understood that in return for federal funds, the provinces had to abide by rules that stipulated anyone "in need" was entitled to welfare. Workfare was forbidden under the federal statute as were residency requirements (denying someone welfare until they've lived in the province a minimum period). Poorer provinces, as well as the less

better than to be a member of the workforce and to better their lives.

Workfare has to be stopped.

fortunate around the country, will be devastated under CHST because social assistance, being a program of “ill repute”, will suffer the consequences of a frontal attack on this country’s social programs.

Governments have introduced a type of psychological warfare between individuals fortunate enough not to have to rely on social assistance to make ends meet, and those who have no choice. What government is doing by forcing people to work for social assistance is pitting fellow citizens against each other, and in time, that usually leads to civil unrest. Workfare has to be stopped.

Appendix 1

The Origins of Workfare

Public assistance in English Canada was based on the Elizabethan Poor Laws of 1601, which brought to notice the concepts of “deserving” and “undeserving” poor. The “deserving” poor consisted of those individuals deemed incapable of supporting themselves through paid work and thus worthy of public support. As for the “undeserving” poor, they included able-bodied men and their dependents, expected to support themselves through paid work and therefore not worthy of public assistance.

The Poor Laws amendment of 1834 added the principle of “less eligibility”: the living condition of the lowest-paid worker should always be superior to that of the able-bodied destitute person. This principle was put in place to make sure that public assistance never became a more attractive option than gainful employment. The 1834 amendment also sanctioned the “workhouse test”, which was based on the principle that, in order to receive public assistance the “undeserving” poor must perform mandatory work which had to be unpleasant, serving as a hindrance against unneeded dependence on public assistance. Reluctance to enter the workhouse was seen and understood as a presumable indication of a false or deceitful claim to public support.

The principle of lesser eligibility, the notion of the deserving poor and the workhouse test represent the three main tenets of the Poor Laws. Social assistance in Canada still strongly embodies these principles, albeit in varying degrees depending on the economic situation.

It is quite obvious that those three principles completely overlook the respect and dignity of the individual, an unemployment rate that lingers close to the double digit mark, and the lack of training and sometimes insufficient education that become apparent after men and women face massive layoffs in the latter stage of their working lives. Nevertheless, the provinces still abide by these principles, and are bent on introducing workfare to get people back into full-time employment.

The Canadian Experience

Since the early 1970s there have been several attempts to reform social assistance in Canada. The threat of workfare is never more real than in the 1990s. The following is a summary of the Canadian experience with workfare during the last 25 years.

Swadron Report (Ontario, 1972)

In the early 1970s, Ontario's Swadron task force suggested that the lack of jobs, not the deliberate avoidance of work by welfare recipients, was the problem. However, the task force also concluded that welfare recipients should be willing to seek and accept any reasonable job in preference to public support. The committee defined "reasonable employment" broadly, and the right to refuse employment because of inappropriateness was interpreted narrowly. The task force's recommendations were never put in place.

Orange Paper (Ottawa, 1973)

Not too long after the Swadron Report was handed in, the federal government released an orange paper that launched a major review of social programs in Canada which lasted throughout much of the decade. Its intent was to limit the open-ended nature of federal cost sharing not only in social assistance but also in health care and post-secondary education. One of the orange paper's findings pertained to the fact that people should be expected to work in order to receive social assistance.

Ryant Report (Manitoba, 1983)

In 1983, a Manitoba task force adopted in essence a different approach. Instead of recommending sanctions for non-compliance, the Ryant task force suggested placing work "expectations" on the recipients. The right to tag work and other conditions to the receipt of benefits was dealt with by the minority of the task force, while the issue was rebutted by the majority. In the end the report was essentially ignored.

Pour une réforme en profondeur de l'aide sociale (Québec, 1987)

Québec's position paper on *The Personal Tax and Transfer Systems* (1987) recommended a major restructuring of the province's social assistance system. It suggested dividing welfare recipients into two categories: those who are able to work and those who are not. By creating those two categories, Québec's social assistance policy had substituted the concept of helping individuals in need with the concept of judging whether or not the recipient is employable. Basically, Québec was adopting the 300-year old notion of "deserving" and "undeserving" poor. With the employability policy put in place, the Department of Income Security began to crack down on welfare recipients. The department's investigators were called "boubous-macoutes" -- in reference to Premier Robert Bourassa and the "tontons macoutes" of Duvalier's Haiti. These investigators tried to trap social assistance recipients off-guard at home, sometimes going through closets and bedrooms. The prime targets were single mothers; when the "boubous-

macoutes” suspected that a woman was living with a man and trying to conceal his presence for fear of having her cheque cut off, they swung into action. In 1995 however, Jeanne Blackburn, former Québec Income Security Minister, had to admit that the welfare reform wasn’t working because of low success rates, administrative problems and the complexity of the new system.

Ontario’s Social Assistance Review (Ontario, 1988)

Since the late 1980s, Ontario’s different governments have been busy trying to reform social assistance in the province. Ontario’s Social Assistance Review Committee (SARC) presented its final report in 1988. The report entitled *Transitions* argued as to society’s responsibility to assure the availability for self-sufficiency opportunities. Yet, many members of the committee could not agree to benefits without any sort of conditions. The members found a middle ground in the final report known as “opportunity planning”. The idea was to get planners and recipients together in order to develop an action plan that would identify various strategies providing the recipients with the means to leave social assistance or to live more independently in the community. Opportunity planning was mandatory for employable recipients and sanctions for non-participation, in the form of benefit reductions, would apply in the case where the state had done everything to provide the resources and services to enable the recipient to comply. At the same time the committee rejected work-for-welfare or workfare strategies. The inconsistency of the report was apparent, it did not accept workfare programs but consented to the imposition of sanctions. The two positions were never resolved and the recommendations found in *Transitions* were never acted upon.

Ontario’s Advisory Group on New Social Assistance Legislation (Ontario, 1991)

In 1991, Ontario’s Advisory Group on New Social Assistance Legislation produced its first report entitled *Back on Track*, which included some reforms such as job search requirements and work incentives depending on the province’s economic situation. As to permanent removal from social assistance, labour market conditions were taken into account rather than individual characteristics. Suitable employment was also considered as an important issue rather than just about any job the recipient was able to perform. *Back on Track* seemed to lean toward a form of absolute entitlement. However “the cap on CAP”² in Ontario (1990) put an end to the report’s recommendations.

² The federal government’s amendment to the Canada Assistance Plan (CAP) resulted in severe financial penalties for Ontario, Alberta and British Columbia. These provinces had to limit their increase in payments to no more than 5% per fiscal year. The size of CAP grants per person in Ontario fell from more than \$3,500 in fiscal year 1990/91 to less than \$1,900 in 1993/94 (Brown, 1995).

Ontario's Expenditure Control Plan (Ontario, 1992)

With the slashing of federal contributions in the early 1990s, the government of Ontario became much more preoccupied with cutting expenditures than supporting individuals on welfare. Ontario's *Expenditure Control Plan* (1993) worried about the spreading costs, with an emphasis on policing and eligibility restrictions. The plan promised that the social assistance reform would

“transform social assistance into a system that connects people to education, training, work and volunteer activity” (Ontario, 1993a).

The plan's recommendation indicated a shift toward workfare and coercive participation.

In the early 1990s, the New Brunswick government came up with three different employability programs. The first two programs, New Brunswick Works and the Self-Sufficiency Project are not viewed as workfare initiatives since the recipients are not financially penalized if they do not take part in them. However, New Brunswick Job Corps is a form of workfare.

New Brunswick Works (New Brunswick, 1992)

The New Brunswick Works program's main focus was to provide education and training for social assistance recipients so that they could re-enter the workforce at a higher wage. The program which was jointly funded by the federal government proved to be very expensive (estimated cost was \$177 million).

Self-Sufficiency Project (New Brunswick, 1992)

The Self-Sufficiency Project was a wage supplement program. The target group was single parents with children, who had been receiving social assistance for 12 of the past 13 months at the start of the program.

New Brunswick Job Corps (New Brunswick, 1994)

The New Brunswick Job Corps program was aimed at social assistance recipients between the ages of 50 and 65. This program is similar to workfare in that clients receive benefits in exchange for work. Family income must be less than \$20,000 at the time of joining the program. Oddly enough, this program targetted those who have the most difficulty re-entering the workforce.

Ontario (1993, 1994)

An approach toward workfare and compulsory participation can be found in the social assistance reforms proposed in Ontario in 1993 and 1994. A long-awaited paper on social assistance reform, *Turning Point*, was released in July 1993. The document continued to narrow the focus set out in the budget which was released in the Spring of 1993. For example, “the new programs will help foster independence by encouraging work-related activity” (Ontario, 1993b:1).

Turning Point did not give approval to overt workfare and did not suggest that benefits would be terminated for anyone. Yet the focus appeared to shift away from human capital investment toward more immediate work activity (with an associated short-term reduction in social assistance caseload costs). The white paper announced that there would be a new basic Ontario adult benefit (OAB) that would “never be a more attractive option than full-time employment” (Ontario, 1993:19). Also planned was an additional employment and training allowance (ETA) for claimants who chose to participate in a new program called JobLink, whose purpose was to “connect” or “to link” people to training and work. Participation in JobLink would not be mandatory. By late 1994, however, the Ontario government announced that, with the exception of JobLink, it would not be proceeding with these proposed changes to the system. Instead the primary response to the issue of welfare was the decision to hire 270 additional welfare police (Lightman, 1995).

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