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# CONSULTATION REPORT ON INCOME SECURITY

**Final Submission for the Standing  
Committee on Human Resources  
Development**

- *Executive Summary*
- *Consultation Report*

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**Children and Families Initiative**  
Edmonton, December 8, 1994

Project Coordinator: Anne Fitzpatrick  
Project Consultant: R. Scott Evans



# EXECUTIVE SUMMARY

The Children and Families Initiative is a collaborative project to channel human and financial resources towards eliminating the most damaging effects of poverty confronting a growing number of Edmonton families. The Initiative is the joint effort of the major funders of human services in the Edmonton area. Collaborators include representatives from education and health, social and police services, and the business and labour communities.

On November 18, 1994, CFI presented a brief to the Standing Committee on Human Resource Development outlining its position on income security reform. Members of the community were invited to participate in a consultation process and respond to the CFI brief through focus groups and written responses.

The final consultation report analyzes the community's response to the CFI brief and outlines CFI's final recommendations for income security reform.

The following is a list of the recommendations supported by the Children and Families Initiative.

## CFI RECOMMENDS

### FEDERAL AND LOCAL ROLES

A Federal government role in **establishing national criteria** on welfare and social service spending:

- **standards and criteria should be developed with local input.**

Local control over the administration and design of training programs and economic development:

- **decision-making role for local and regional boards;**
- **representatives from key sectors in the community;**
- **representation on boards must be legitimately derived.**

CFI opposes unconditional block grants for social programs.

### JOB CREATION AND SOCIAL PROGRAMS

Cuts to social programs are not acceptable unless accompanied by significant increases in employment opportunities.

Governments should **collaborate with local communities** to ensure an optimal environment for job creation.

Locally-driven economic development must link training and job growth.

## SUPPORTING EMPLOYMENT

Positive incentives should be developed rather than using punitive measures to encourage and support reduced dependency on social programs.

Provide infrastructure necessary for managing work and family obligations:

i.e. **stable child care options** in child-enriching centres; **elder** care.

Eliminate barriers to income supplements for social assistance recipients in part-time, occasional, and low paid work:

- **earning exemptions should be increased;**
- **benefits should be extended for longer periods;**
- **income supplement programs should be flexible enough to accommodate erratic earning patterns.**

Safeguard the income supplements of those who are currently defined as unemployable, but who pursue **alternative forms of participation** in the community or workforce.

Reconceptualize work to value community service, parenting and general volunteerism.

## INCOME SECURITY

Support for Low Income Families attempting to enter the workforce:

- **affordable housing;**
- **supplemental medical, optical and dental benefits;**
- **lower tax rates;**
- **work clothing tax credit;**
- **allowances or credits for child-related expenses;**
- **accessible and affordable public transportation.**

Income supplements such as the Child Tax Benefit and the Working Income Supplement must be geared to the needs of families:

The Child Tax Benefit must not be used by provincial governments to calculate income security payments.

The Working Income Supplement should be extended to include those involved in training or upgrading:

- **expand supplement to include relocation bonuses or training allowances.**

The federal government must also establish national criteria defining the relationship between employability and income supports:

- **use local “job index” to determine connection between income supports and the obligations of recipients (i.e. training, relocation, job search etc.).**

The social security system must be capable of adapting to local changes in the income needs of families and individuals.

- **Regardless of the method of delivery, income supports should be tied to a local market basket formula.**

## INVESTING IN CHILDREN

The federal government must work closely with the provinces, communities, and the education system to establish the following initiatives:

- **national child care standards governing child-staff ratios, group size, physical environment, and training of caregivers;**
- **encouraging schools to cooperate with individuals and agencies so that nutrition programs can be integrated into the school system;**
- **encouraging schools and school districts to collaborate with other agencies in developing more effective and affordable out-of-school child care options delivered from school sites;**
- **encouraging the public funding of junior and senior kindergarten programs integrated into the mandate of the school system.**

**Early prevention programs** such as Head Start should be an essential part of social security reform.

Schools should remain the primary institution through which many of the child-oriented social programs are delivered. Schools and school districts should be encouraged to form **partnerships** with a variety of agencies providing services to children and families.

Greater **school-business collaboration** must be encouraged in order to make earlier connections with changing labour market demands and the educational curriculum.

## TRAINING ISSUES

Identify long-term training and recruitment strategies.

Develop a **flexible feeder system** linking the existing skills of individuals to labour market demand:

- **better linkages between secondary schools and post-secondary training institutions or apprenticeship programs.**

Individual **assessment and guidance services** to help direct individuals to the type of basic training that would enable their rapid transfer to more specialized training in growing sectors of the economy.

## TRAINING INFORMATION BRIDGE

Systematic **collection of information** on all existing local training options:

- **program curriculum, enrollment, prerequisites, job placement opportunities, and available supports such as child care and transportation subsidies or bursaries.**

Develop a **dissemination strategy**:

- **a database that is readily accessible by employers, counsellors, case workers, trainers, and potential trainees;**
- **electronic bulletin board;**
- **special access for the unemployed and employment counsellors could be made available through links with the existing job database used in many Canada Employment Centres;**
- **information sites, similar to automated banking machines, could be installed in local malls (increasing accessibility for groups such as youth and single parents);**
- **an on-line service for community based organizations to extend the reach of training information.**

## TRAINING PORTABILITY BRIDGE

Alternative and community based programs should be integrated and accredited into the existing training environment.

Develop method of determining **standard prerequisites or credit transfers**:

- **create advisory bodies for each training sector to formulate standards whereby training can be evaluated and accredited;**
- **employers and trainers should be key participants in these advisory bodies;**
- **intersectoral bodies would establish standards which would be formalized at the national level.**

Ensure that **standard assessment** of training permits easier transfers between provinces, institutions, and programs:

- **transferability of non-apprenticeship on-the-job training or placements;**
- **inter-provincial credit and experience transfers.**

Develop more rigorous **evaluation and accreditation** for trainers and training programs.

## **SUPPORTING TRAINEES**

The cost of developing skills in the most vulnerable segments of the population must include a commitment to **long-term multilevel upgrading.**

**Training allowances** should be an integral part of our social programs.

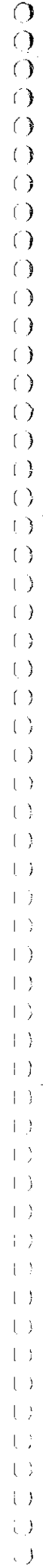
Funding bodies should return to a **bursary or grant system**, particularly for the more marginalized sectors of the community.

If upgrading requires a long-term strategy, a portion of these supports may take the form of a training loan.

Loan repayment must be tied to job opportunities at the completion of the training.

Loan repayment schedules must be tied to earned income.

Loans should be forgiven if jobs are not available in a trainee's occupation and if the trainee subsequently begins a new program.





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# INTRODUCTION

The Children and Families Initiative is a collaborative project to channel human and financial resources towards eliminating the most damaging effects of poverty confronting a growing number of Edmonton families. The Initiative is the joint effort of the major funders of human services in the Edmonton area. Collaborators include representatives from education and health, social and police services, and the business and labour communities.<sup>1</sup>

The primary goal of the Initiative is to foster greater partnership and coordination in the development and implementation of actions that will reduce the effects of poverty in Edmonton. The members of the Children and Families Initiative represent a new spirit of collaboration. They recognize that modernizing our social safety net during this period of fiscal restraint requires that any new directions in human services continue to foster and nurture partnerships and joint planning among all the key players in the community.

The following report documents the consultation process surrounding the CFI's brief to the Standing Committee on Human Resource Development at its hearings in Edmonton on November 18, 1994. The report summarizes the community's response and the CFI position on federal social policy.

## CONSULTATION PROCESS

During a two week period, one hundred and sixty-nine members of the community were invited to participate in a consultation process. This does not include members of CFI committees who helped develop the final brief and provided useful feedback during the consultation period. Despite the contracted timelines outlined by the Standing Committee on Human Resources Development, community members participated in focus groups and provided written responses to the CFI brief.

A response form was developed to facilitate community feedback. The form provided the text of the brief and a parallel commentary column. Critical issues were identified in question boxes and respondents were asked whether they agreed with specific positions presented in the brief. Space was provided so that respondents could qualify their responses.

Eighty-three individuals were invited to participate in two focus groups. Those invited included government representatives, funders, religious leaders, educators, local politicians, social service providers, training experts, labour, business, and community representatives.

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<sup>1</sup> The Initiative was launched in 1992. Membership on the steering committee is listed at the end of the report.

**SOME OF THE PROVINCIAL GROUPS WHOSE  
REPRESENTATIVES SUBMITTED WRITTEN FEEDBACK**

Alberta Association of Immigrant Serving Agencies

Alberta Liberal Opposition

Alberta Committee of Citizens with Disabilities

Alberta Teachers' Association

Native Counselling Services of Alberta

Native Employment Services Association - Alberta

Those invited to participate in the focus groups were encouraged to complete the feedback form to provide additional perspectives on the CFI brief.

Another focus group was organized in the downtown Edmonton core with youth and adults who are currently involved with community-based services. The primary focus of this group was the existing network of services and current barriers facing youth and low-income families trying to upgrade their skills and educational qualifications.

In addition to those invited to participate in focus groups, another eighty-six individuals, representing a cross-section of the community, were sent feedback forms.

## **GENERAL COMMUNITY RESPONSE**

There was considerable support for the basic positions presented in the CFI brief. The majority of focus group participants and respondents recognized that the system, as it currently operates, is no longer adequate. However, there was concern that the primary agenda of the reform process is to legitimate cuts in social spending. Some doubted the political will of the federal government to implement positive reforms.

Criticism of the existing social system ranged from problems with the inflexibility of social service and training programs to broader issues of disincentives and insufficient supports and bridges for individuals making the transition from social programs to the workforce.

The Federal government must be willing to establish national criteria on welfare and social service spending. These standards should be developed with local input. There must also be local and provincial discretion in the administration and delivery of social programs. It is important to note that local control, for the majority of participants, does not mean provincial control.

While there was concern that Ottawa would attempt to dictate funding decisions, the majority of participants felt that national standards and local decision-making are compatible.

Given the current direction of the Alberta provincial government, there was general opposition to unconditional block grants for social programs.

Discussion on the specific nature of reform underscored the need for balance. Participants recognized the importance of being fiscally responsible in the area of social spending. However, the majority did not accept that fiscal responsibility requires a more punitive or restrictive approach to income security. The majority of participants advocated the use of positive incentives to encourage and support independence.

## SUPPORTING THE EMPLOYMENT SOLUTION

In its brief to the Standing Committee on Human Resources Development, the CFI endorsed the Government of Canada's position, that the "best form of social security comes from having a job".<sup>2</sup> And, as one respondent noted, this means having "long-term, stable employment, providing a living wage...."

This means that cutting back social programs under the auspices of training initiatives is not acceptable unless such reforms are accompanied by significant increases in employment opportunities.

From a broader policy perspective, the consultation process supported a position where government, in collaboration with communities, must:

1. ensure an optimal environment for increasing the number of "good" jobs open to the more marginalized individuals in our communities;<sup>3</sup>
2. ensure sufficient social security for individuals and families who are unable to work or who cannot obtain adequate employment to offset the negative effects of poverty.

## RECOGNIZING A CHANGING LABOUR MARKET

Those designing income security programs must recognize the changing nature of the labour market. This includes understanding how work is viewed in our society and the importance of valuing activities such as parenting and

### CFI RECOMMENDS

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Local control over the administration and design of training programs and economic development:

- decision-making role for local and regional boards;
- representatives from key sectors in the community;
- representation on boards must be legitimately derived.

Opposition to unconditional block grants for social programs.

<sup>2</sup> Human Resources Development Canada, *Improving Social Security in Canada*, Ottawa: Supply and Services Canada, p. 29.

<sup>3</sup> "Good" jobs involve paid work that raises a worker's earnings above the poverty line, is relatively secure, and includes benefit packages and pension plans.

## CFI RECOMMENDS

### JOB CREATION AND SOCIAL PROGRAMS

Cuts to social programs are not acceptable unless accompanied by significant increases in employment opportunities.

Governments should collaborate with local communities to ensure an optimal environment for job creation.

Locally-driven economic development must link training and job growth.

community involvement; activities seldom accorded the same status as paid employment. But, emphasizing volunteerism must not undermine workers or existing paid employment.

The consultation identified a growing interest in the relationship between new forms of non-standard employment and entrepreneurialism. But all individuals can be entrepreneurs. And, the majority of non-standard jobs remain precarious and low paying. It must be recognized that while a changing labour market offers many new opportunities, there will also be many instances of hardship and suffering. The latter must be minimized through the application of income security programs.

There must also be a conscious effort to promote pay equity. Given the disproportionate family responsibilities of women, it is important that they have adequate opportunity for fair remuneration in the workplace. This would greatly reduce the current hardship faced by many female-led lone parent families.

## WORK AND DIGNITY

Some participants argued that any type of work ensures the dignity of the individual. The majority of respondents recognized, however, that there are important limitations on using work as the primary means of determining self-value or worth. As one participant suggested, "dead-end" jobs often have a "dehumanizing effect" on workers. Nevertheless, as a long-time grassroots service provider wryly commented, "lots of dead end jobs pay good money." This underscores a key factor: individuals need the income employment offers.

The issue of dignity was also raised regarding UI eligibility. Concern was expressed at how new UI rules increased the vulnerability of workers. Participants cited a growing number of instances where employees would not report harassment or unsafe working conditions. They fear that quitting or being fired will forfeit any claim for UI benefits.

## LOW PAYING WORK AND A SUPPORTED ENVIRONMENT

The primary concern in focus group discussions was with low-paying work

which had limited skill development potential, and where workers, especially parents, had limited access to supports such as quality child care, affordable housing, or benefits. As a number of front-line participants noted, families and individuals in this situation undergo enormous stress that often diminishes the enriching potential of family life. The difficulty of juggling work and family in an unsupported environment places the children of low income families in a vulnerable and disadvantaged position.

A supportive environment means that social programs must provide the basic infrastructure necessary for managing work and family. For example, a number of participants argued that child care should be viewed as a “basic need”. This would certainly benefit the “working poor” and “marginally employed” who have family responsibilities. Stable child care options in child-enriching centres would greatly reduce stress on parents. At the same time this is a wise investment in our future generation.

Other suggestions included affordable housing, supplemental medical, optical, and dental benefits, lower tax rates, work clothing tax credit, specific allowances or credits for child-related expenses, and affordable and accessible public transportation. All of these attempt to offset the cost of raising a family for parents in low paying jobs. The objective is not to subsidize labour costs for business. Rather, it is an attempt to give low income parents a better opportunity to work while raising a family.

## BARRIERS AND DISINCENTIVES

In many cases existing programs are both inefficient and offer disincentives to workforce integration. The majority of participants supported the claim that a significant proportion of persons dependent on social programs would prefer to work if given the opportunity. This means that income security reforms must include supports and positive incentives for the majority of individuals willing to make the transition into the workforce.

Transition involves risk. Individuals cannot be expected to impoverish themselves or their families by choosing work that does not provide sufficient income. Few entry level jobs or training opportunities provide sufficient income or benefits to offset the cost of raising children. Supports would make working or training a viable option for more families.

### CFI RECOMMENDS

#### SUPPORTING EMPLOYMENT

Positive incentives should be developed rather than using punitive measures to encourage and support reduced dependency on social programs.

Provide infrastructure necessary for managing work and family obligations:

i.e. **stable child care options** in child-enriching centres; **elder care**.

Eliminate barriers to income supplements for social assistance recipients in part-time, occasional, and low paid work:

- earning exemptions should be increased;
- benefits should be extended for longer periods;
- income supplement programs should be flexible enough to accommodate erratic earning patterns.

Safeguard the income supplements of those who are currently defined as unemployable, but who pursue **alternative forms of participation** in the community or workforce.

Reconceptualize work to value community service, parenting and general volunteerism.

Focus group participants provided a number of examples of disincentives. These often involved eligibility rules. A number of respondents cited instances where unreasonable demands were placed on clients seeking to enter the workforce. This involved cases where individuals lost their entire income supplement for failing to produce pay stubs. Unfortunately, administrative deadlines required pay stubs before some of these clients received their first pay cheque.

Other cases involved disincentives for persons with visible disabilities who were able to make valuable contributions to their community. This ranged from volunteer work to limited or "supported" employment. These activities jeopardized their eligibility for income supports. Efforts to participate in the workforce and community life were rewarded by taking away entitlements. As a result of their activities, these individuals were expected to compete actively in the labour market. Their disabilities, however, made such direct competition for jobs impossible.

The system also has difficulty dealing with non-visible disabilities. Some of these cases involve serious emotional and family problems. As one community service provider emphasized, "these disabilities are less easy to define, . . . but can be more debilitating." All of the preceding examples exemplify the frustration with the rigidity of social programs. Individuals must be encouraged to participate without the fear of losing their benefits.

## FLEXIBILITY

A lack of flexibility was cited as an important barrier. Numerous participants argued that social programs must permit gradual transitions for individuals or families with special needs or barriers. Part-time and low paying work must not result in ineligibility or draconian cuts in supports. For example, benefits for social assistance recipients entering the workforce should be extended for longer periods. Earning exemptions should be increased and income supplement programs must be flexible enough to accommodate erratic earning patterns. Allowances should be provided for telephone and transportation expenses for those seeking employment.

As one participant indicated, support must also include the "social and psychological support" necessary to help "vulnerable" people make a successful transition.

*For the large number of single mothers on SFI [social assistance], moving to another city is frightening. They lose their local support network, their SFI benefits, and they have no guarantee that the job will be permanent. Just trying to set up rental accommodation and child care arrangements in another town is a formidable task; and employers are seldom helpful or understanding.* **Focus Group Participant**

Gradual transition into the workforce is especially important for long-term or intergenerational social assistance recipients. The gradual transition is necessary to help recipients develop the life skills and confi-



dence necessary to compete in the labour market or successfully enter training programs.

Individuals have an obligation to pursue employment options. But, it is the government's responsibility to find an appropriate balance between adequate supports and the expectations placed upon individuals. Reasonable expectations must be established based on the strengths and capacities of individuals. As one participant explained, "we need to measure the ability of individuals to compete in the workplace; with ability understood in terms of age, education etc."

## WORKFARE

Without jobs, social security reforms built on a training model risk degenerating into "revolving door" training or workfare. Clients would move from one program to another with little hope of finding permanent employment. Participation would become increasingly motivated by eligibility requirements for income security programs, rather than the desire to integrate into the workforce or community.

Requiring training without job prospects risks developing into a punitive workfare system. In such a system employable individuals must perform tasks or services in return for benefit cheques, without having the same protection or rights accorded employees. While some participants favoured such *quid pro quo* arrangements, many expressed concern that "workfare" was designed to ensure that clients voluntarily find alternative means of support or fail to remain eligible for income supports. This achieves a limited objective of decreasing demands on programs such as social assistance. The fear expressed by many participants is that this only exacerbates and hides poverty within the community.

*Not only does 'the coercive dimension of workfare encourage evasion', but it can be debilitating to an individual's feeling of self-worth and self-determination. [This] limits these individuals in their ability to self-actualize and to be fully functional in such a competitive job market. Respondent - written feedback*

## EMPLOYABILITY AND PARTICIPATION

Underlying the discussion of jobs and social programs is the general question of employability. This relates directly to issues of eligibility for income security.

The potential for participating in the community or workplace should be distinguished from the issue of income maintenance and its connection to need. There must be safeguards against using participation to rationalize reduced benefits. If participation is truly the objective then supports must meet the real needs of families and individuals. Participation must be encouraged rather than enforced by retracting the basic supports needed by disadvantaged individuals and families.

Employability should be understood as an issue of ongoing transitions. There needs to be an emphasis on learning opportunities, adapting personal skill inventories, and redeployment. In this case social programs are part of an ongoing process of adaptation. Losing a job simply means directing individual activities towards training. Even those previously defined as unemployable could be placed on a spectrum of potential employability and community activity. Degrees of participation, however, should not determine basic income supplements.

As with any system of classification, however, there remains questions about the level and length of support given those in transition. While there was some discomfort with an indeterminate period of support for transition; there is agreement that existing transitional supports should be extended.

There was general commitment to the idea that individuals defined as employable must be given some assurances. At the conclusion of their training, or other employment initiatives, individuals should remain eligible for social security programs if they are unable to find work.

There is still the question of who decides whether an individual meets the criteria of employability. There were concerns about the guidelines governing the discretionary power of front-line staff or case managers. As one respondent noted:

*Currently under SFI [social assistance] policy this decision [about who is employable] can be made by one person... there needs to be an appeal process in place for both parties to argue their points; and there needs to be room for flexibility and case-by-case assessments of work readiness.*

**Respondent - written feedback**

## INCOME SECURITY

Consultation supported a *Guaranteed Annual Income (GAI)*. For some, however, there remain questions about levels of support, how GAI would be administered, and what programs it would replace. Proponents felt that a GAI would alleviate the costly administration of the current system of tax credits and federal-provincial and municipal income supplements and supports. It was suggested that GAI would make it easier to value forms of work which are

### CFI RECOMMENDS

#### INCOME SECURITY

Support for Low Income Families attempting to enter the workforce:

- affordable housing;
- supplemental medical, optical and dental benefits;
- lower tax rates;
- work clothing tax credit;
- allowances or credits for child-related expenses;
- accessible and affordable public transportation.

Income supplements such as the Child Tax Benefit and the Working Income Supplement must be geared to the needs of families:

- local market basket formula to determine level of supports.

The Child Tax Benefit must not be used by provincial governments to calculate income security payments.

currently undervalued or not recognized as contributions to the community.

Opponents to a GAI were concerned that it would be a “disincentive to work” for those defined as employable. As a counter, proponents of the GAI argued that as a universal income support, the GAI would dismantle regulatory and eligibility barriers that currently discourage individuals dependent on social programs from attempting to supplement their income or upgrade their skills. Additional income supplements could be used as an incentive to enter the workforce, similar to the existing Working Income Supplement.

There was general agreement that income supplements such as the Child Tax Benefit and the Working Income Supplement must be geared to the actual needs of families. Child Tax Benefits in particular must not be used by provincial governments to calculate income security payments. The Working Income Supplement should be extended to include those involved in training or upgrading. The supplement should also be expanded to include a relocation bonus and training allowance as positive incentives for individuals to fill niches in the labour market.

## **JOB INDEX: INCOME SECURITY ELIGIBILITY**

The federal government must also establish national criteria that define the relationship between employability and income supports. A “job index” based eligibility formula would provide an objective method of determining reasonable local expectations on individuals dependent on social security. It would ensure that eligibility rules would account for individual job skills and local labour market trends.

While some participants suggested caution in the application of a “job index”, their misgivings would be tempered by ensuring that credible eligibility criteria be determined in an open public forum. This would make determining appropriate “job index” levels less susceptible to the perceived “closed door” machinations of either civil servants or politicians.

## **NEEDS BASED INCOME: MARKET BASKET**

The actual needs of recipients must be recognized when determining social

The Working Income Supplement should be extended to include those involved in training or upgrading:

- expand supplement to include relocation bonuses or training allowances.

The federal government must also establish national criteria defining the relationship between employability and income supports:

- use local “job index” to determine connection between income supports and the obligations of recipients (i.e. training, relocation, job search etc.).

The social security system must be capable of adapting to local changes in the income needs of families and individuals. Regardless of the method of delivery, income supports should be tied to a local market basket formula.

### **Job Index**

The index would use local data already collected by Human Resources Development Canada. This would include an occupational breakdown of job vacancy and unemployment data for each region or municipality. This can be linked to current HRD occupational skill indices to analyze the relation between skill levels and local labour market trends. If consistently updated and combined with individual assessments of income security clients, these measures will provide an accurate barometer assessing local eligibility criteria, individual benefit periods, job search requirements, and training requests.

### MARKET BASKET

The market basket formula can be based on existing data collected by Statistics Canada and used in its calculation of the Consumer Price Index (CPI). All of the costs of maintaining a home could be calculated for each local area. This would provide a basis for estimating a basic income. Regular adjustments would be made using the specific indices for rent, transportation, food, etc., used in the calculation of the CPI.

security benefits. The social security system must be capable of adapting to local changes in the income needs of families and individuals. Regardless of the method of delivery, income supports should be tied to a local market basket formula. This would permit equitable changes in income security payments.

The market basket approach should be developed using an open public forum to ascertain appropriate thresholds for basic income needs. After which, income supports would be regularly adjusted using the appropriate CPI components.

## SUPPORTING FAMILIES AND INVESTING IN CHILDREN

The social security system must take into account the enormous strain on families raising children or supporting elderly family members. There was general agreement that income support must be supplemented by government policies that ensure the availability of flexible family-oriented programs that include child care and elder care options.

CFI is supported in its recommendation that priority be given to creating an enriching environment for children. This means that the federal government must work closely with the community and education system to establish the following initiatives:

1. national child care standards governing child-staff ratios, group size, physical environment, and training of caregivers;
2. encouraging schools to cooperate with individuals and agencies so that nutrition programs can be integrated into the school system;
3. encouraging schools and school districts to collaborate with agencies in developing more effective and affordable out-of-school child care, delivered from school sites;
4. encouraging the public funding of kindergarten programs and their integration into the legislated mandate of the school system.

There was widespread support for the expansion of early prevention programs such as Head Start. Some participants felt that if based on an early

childhood development model, such programs should be available for all children. Others supported targeting low income neighbourhoods.

CFI recommends that early prevention programs such as Head Start be an essential part of social security reform.

## THE ROLE OF SCHOOLS

The dominant view was that schools remain the primary institutions through which many of the child-oriented social programs should be delivered. Schools should be encouraged to form partnerships with a variety of agencies providing services to children and families. This will make service delivery more efficient and will maximize flexibility.

CFI recognizes that if schools are required to do more, they must receive additional resources. Teachers cannot be given added responsibilities.

Schools are also a critical bridge between family life and the workplace. We must re-examine our education system and gear students towards a life long learning experience that will facilitate their successful participation in the workforce. This means more resources must be directed to programs from kindergarten to high school. Greater school-business collaboration must be encouraged in order to make earlier connections with changing labour market demands and the educational curriculum.

CFI and participants in the consultation process support the position that low-income families currently face significant stresses that threaten the potential enriching environment that a family may offer. Schools are institutions that can offer alternatives for the many children who currently face barriers to learning and social development caused by poverty.

## LOCAL DECISION-MAKING: TRAINING AND JOBS

Participants and the CFI support policies that will increase opportunities for training for those who are on social assistance or who are unemployed. This

## CFI RECOMMENDS

### INVESTING IN CHILDREN

The federal government must work closely with the provinces, communities, and the education system to establish the following initiatives:

- national **child care standards** governing child-staff ratios, group size, physical environment, and training of caregivers;
- encouraging schools to cooperate with individuals and agencies so that **nutrition** programs can be integrated into the school system;
- encouraging schools and school districts to collaborate with agencies in developing more effective and affordable **out-of-school child care** options delivered from school sites;
- encouraging the public funding of junior and senior **kindergarten** programs and their integration into the legislated mandate of the school system.

**Early prevention programs** such as Head Start be an essential part of social security reform

Schools should remain the primary institution through which many of the child-oriented social programs are delivered. Schools and school districts should be encouraged to form **partnerships** with a variety of agencies providing services to children and families.

Greater **school-business collaboration** must be encouraged in order to make earlier connections with changing labour market demands and the educational curriculum.

necessitates linkages between social programs and decisions on training and economic development. Making this connection requires the collaboration of all levels of government, business, labour, and organizations who provide and administer training programs. Such collaboration also requires input from those who represent the client population.

Simple devolution of authority and responsibility to provincial governments will not bring about "disentanglement" or better decision-making at the local level.

Local communities must be more involved in how the federal government spends its money in the provinces. CFI and participants recommend the development of local or regional boards that have the authority to decide the allocation of federal training dollars and economic development initiatives. This is in keeping with a similar trend in Alberta's health and educational communities.

In order for local or regional boards to operate they must be given incentives to generate consensus on training and economic initiatives. This requires a process whereby representation is legitimately derived and actual decision-making responsibilities are bestowed upon the board.

Those with reservations about local or regional boards had questions such as: How many members would sit on the boards? How many boards? Will such boards be manageable with decisions made in a timely manner? How representation was constituted was central to many concerns about the role of the proposed boards.

Representatives of all of the key sectors in the community must be included in the development and coordination of training and economic initiatives. This not only permits the community to take responsibility for the success or failure of its initiatives, it also increases the incentive for provincial governments to coordinate their own activities with those of the local or regional board.

Support for training and economic initiatives is easier to develop if the key participants in decision-making are local representatives. This includes representation of consumer-client and equity groups. Organizing consumer-client and equity groups for board participation provides insights into the possible consequences or limitations of policy initiatives. Moreover, the mobilization of both the consumer-client and equity groups engenders organizational skills which are inherently valuable in the labour market.

## TRAINING ISSUES

The consultation process revealed little faith in the "trickle down" market approach to job growth. Neither was there much optimism in the ability of provincial and federal governments to develop the type of industrial and economic planning that marks successful economies in Europe and East Asia. There is, nonetheless, considerable interest in locally-driven economic development that links training, social programs, and job growth.

Without job growth, integrating training and social programs will fail. As one participant stated, "training is a growing industry, but many don't get jobs out of it." Supporting this view, one business representative was emphatic that much of the current training is not meeting the existing demands of employers.

The emphasis in current training is job placements. However, placements are becoming problematic as changes in Alberta's social services system have increased the demands on trainers to place clients who are not "job ready".

Some of these problems reflect the conflicting demands placed on the training community. Business wants a "quick turn around" to meet new demands in the workforce. However, neither business or government have been effective in identifying long-term training and recruitment strategies. These strategies are essential if training institutions are to develop flexible feeder systems.

Feeder systems would link the existing skills of individuals to labour market demands. Individual assessment and guidance services would help direct individuals to the type of basic training that would enable their rapid transfer to more specialized training in growing sectors of the economy. This would also require better linkages between secondary schools, post-secondary training institutions, and apprenticeship programs.

The current demand for short-term low-cost training has meant that an increasing number of "employability enhancement programs" are referred to as training. The resume writing and interview skills emphasized in these programs do not translate into marketable skills. The high skill levels demanded in the better paying sectors of the economy require more long term planning and investment in training.

Political pressures to target specific populations places trainers in difficult situation. One participant cited an example where Human Resources Development asked trainers to develop programs for persons with disabilities. The program, however, was restricted to those eligible for UI benefits. This created a serious recruiting problem because the majority of those in need of this type of training are not eligible for UI benefits.

The growth of "nonstandard" employment means that individuals and families require additional supports in order to offset the effect of job insecurity, lower pay, or lack of benefits and pensions. These developments have

## CFI RECOMMENDS

### TRAINING ISSUES

Identify long-term training and recruitment strategies.

Develop a flexible feeder system linking the existing skills of individuals to labour market demand:

- better linkages between secondary schools and post-secondary training institutions or apprenticeship programs.

Individual assessment and guidance services to help direct individuals to the type of basic training that would enable their rapid transfer to more specialized training in growing sectors of the economy.

direct implications for the quality of family life and necessitate stable and flexible social security programs.

Training programs must be flexible enough to encourage the participation of individuals with a range of skills and backgrounds.

Despite an emphasis on economic and training initiatives as the answer to the current stress on social programs, there is still a need for basic income supports. This should not dissuade the government from continuing its experiment. Accompanying this desire for experimentation is the perception that there may be more impoverishment and insecurity for a growing number of Canadians. For this reason, it is even more important to establish what services and income supports the federal government is capable of guaranteeing.

## TRAINING INFORMATION BRIDGE

The need to link training to jobs was stressed repeatedly throughout the consultation process. This requires multiple bridges, the first of which is the information bridge.

Information about training programs and the labour market enables effective decision-making on the part of all the key players. Accessible, current, and accurate information ensures that potential trainees have access to the best possible range of training programs which are directly linked to jobs or job placements.

Information is also important for adapting training programs to the changing needs of the labour market. As one respondent commented, "Right now their communication process [employment centres etc.] is so archaic it makes the hammer and chisel on granite slabs look like state of the art technology."

Developing the information bridge means collaboration from those who currently have access to information on training and labour market trends. Responsibility for data collection and dissemination should be invested in local or regional training boards. Both the importance and difficulty of developing a coordinated information network necessitate the formation of a secretariat for the training board.<sup>4</sup> While some funding may be required for the operation of the secretariat, this cost could be greatly reduced by requesting the active involvement of the principal planning officers of the key funding agencies and training institutions, and Employment Canada's district economist and community liaison officer.

An effective information network must fulfill two objectives. First, there must be a systematic collection of information on all existing local training options. This could include information on each program's curriculum, enrollment, prerequisites, job placement opportunities, and available supports such as child care and

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<sup>4</sup> The secretariat to the local or regional training boards would act as an information "clearing house". Such a secretariat would provide the critical information necessary for local board planning.



transportation subsidies or bursaries. Currently, few such lists exist.

While many social service organizations have had to develop such lists in order to carry out referrals, few claim to be exhaustive. Moreover, the quality of the inventories are very dependent on the individual initiative of those providing referral services.

Second, the training board must develop a dissemination strategy. This could take the form of a database that is readily accessible by employers, counsellors, case workers, trainers, and potential trainees. As an electronic bulletin board, this database would be an invaluable resource for all those seeking or transmitting information on training programs.

Special access for the unemployed and employment counsellors could be made available through links with the existing job database used in many Canada Employment Centres. Information sites, similar to automated banking machines, could be installed in local malls. Such installations, if properly designed, would make training information more accessible for groups such as youth and single parents. An on-line service for community based organizations would greatly extend the reach of training information in the community.

## TRAINING PORTABILITY BRIDGE

The consultation echoed many of the following points. Trainees must be able to progressively upgrade their skills by moving across a range of educational institutions and training or apprenticeship programs. Both educational institutions and employers must be clear about what constitutes legitimate training. This criteria must then be incorporated in existing training programs in order to ensure portability.

Participants confirmed that portability is especially important for those sectors of the population most dependent on social programs. This group is often characterized by its inability to compete in the labour market. Raising the competitiveness of these individuals requires a long-term commitment to skill development and recognition of the skills attained.

Attention should be given to accrediting and supporting alternative and community based programs that serve special populations (i.e. street youth). Individuals, who because of personal and family situations depend on these

## CFI RECOMMENDS

### TRAINING INFORMATION BRIDGE

Systematic collection of information on all existing local training options:

- program curriculum, enrollment, prerequisites, job placement opportunities, and available supports such as child care and transportation subsidies or bursaries.

Develop a dissemination strategy:

- a database that is readily accessible by employers, counsellors, case workers, trainers, and potential trainees;
- electronic bulletin board;
- special access for the unemployed and employment counsellors could be made available through links with the existing job database used in many Canada Employment Centres;
- information sites, similar to automated banking machines, could be installed in local malls (increasing accessibility for groups such as youth and single parents);
- an on-line service for community based organizations to extend the reach of training information.

programs, must have a method of continuing their upgrading.

The lack of recognized training curricula and work experience represents a critical barrier to progressive upgrading and labour market integration. It is difficult for trainees to transfer credits from one program to another. This is particularly problematic for those enrolled in training programs that either compete with, or are not part of the established college or apprenticeship programs.

There is also confusion as to the transferability of non-apprenticeship on-the-job training or placements. There is frequently little evaluation of the performance of employers who accept placements. Some employers may expend considerable energy attempting to give their placements a valuable learning experience. Others, however, use their placements as subsidized labour involved in repetitive or mundane tasks that do not reflect the original objectives of the program. The resulting tendency is to disregard the experiences of individuals participating in general placement programs.

Also, recognition must be given to the potential of apprenticeship models. This would involve greater participation on the part of business and the education system.

Training itself has become a growth industry. For the client it has become a maze. Or, as one respondent wrote, "mass confusion". There is no method of determining standard prerequisites or credit transfers. There is little to encourage one institution or program to accept credits for prior training or placements. This discourages trainees from progressively upgrading or changing occupations to meet changing labour demands. For youth and those with little accredited training, the upward path to advanced training may appear futile. This problem is compounded when ambiguity about the transferability or classification of a training program results in disqualification for special supports.

## **TRAINING STANDARDS AND EVALUATION**

Advisory bodies for each training sector should be established to formulate standards whereby training can be evaluated and accredited. Employers and trainers would be key participants in these advisory bodies. Intersectoral bodies would then establish standards which would be formalized at the national level. This will ensure that accredited training in one region will be accepted throughout Canada. More rigorous evaluation and accreditation will make the training providers more accountable to their clients, both those who receive training and employers who hire newly trained personnel.

An important part of the evaluation component, as one participant noted, is the necessity of determining concrete objectives for training. Currently, many participants involved in training expressed frustration over the ambiguity of training objectives. In the case where job placement is the primary measure of success, some participants felt that individuals who are not "job ready" are increasingly expected to enter the workforce

without the benefit of life skills or supported transitions. In these situations, continued involvement in upgrading and life skills should be considered a success.

## SUPPORTING THE TRAINEE

Those most dependent on social programs cannot be expected to engage in progressive upgrading without some degree of family and individual supports. If upgrading requires a long-term strategy, a portion of these supports may take the form of a training loan. But, as one respondent stated, “we should ask whether loans are acceptable in a society trying to encourage education and training. A grant may prove more effective and more equitable, and ensure greater access.”

A number of participants opposed the current practice of encouraging social assistance recipients and low income families to borrow for training. Frequently, the degree of upgrading required by many of these individuals means that they will be saddled with large debts before obtaining the necessary skills which will make them competitive in the labour market. Training allowances should be an integral part of our social programs.

*People are taken off of social assistance and saddled with “huge” loans. But when they are finished their training does not lead to a job because it is either inappropriate or insufficient in today’s competitive market. Respondent – written feedback*

There were frequent suggestions that the government must return to a bursary or grant system, particularly for the more marginalized sectors of the community. And, as one respondent noted, “if a person is going to get funded to take training programs – the training should be progressive and lead to a recognized occupation, trade, or certification; and it’s no good to only fund for one year”.

The barrier created by a loan system was underscored in the focus group involving street youth. During this session numerous examples were provided detailing the difficulties confronting street youth attempting to reintegrate into the educational and training system. User fees for high school upgrading often meant that students had to take loans or work. However, without a high school diploma few were able to find adequate work to pay for their education. Those who take loans accrue significant debt simply to catch-up with their peers. The prospect of carrying such a debt load without good job prospects discourages a growing number of young adults from beginning or continuing their upgrading.

If loans become the primary mechanism for funding training, repayment must be tied to job opportunities at the completion of the training. This could be determined using the “job index” described earlier.

The consultation supported the idea that repayment schedules must be tied to earned income. Loans should be forgiven if jobs are not available in a trainee’s occupation and if the trainee subsequently begins a new program. The trainee should retain eligibility for training funds if they choose to train in another field when employment opportunities are not available.

## CFI RECOMMENDS

### SUPPORTING TRAINEES

The cost of developing skills in the most vulnerable segments of the population must include a commitment to long-term multilevel upgrading.

Training allowances should be an integral part of our social programs.

Funding bodies should return to a bursary or grant system, particularly for the more marginalized sectors of the community.

If upgrading requires a long-term strategy, a portion of these supports may take the form of a training loan.

Loan repayment must be tied to job opportunities at the completion of the training.

Loan repayment schedules must be tied to earned income.

Loans should be forgiven if jobs are not available in a trainee's occupation and if the trainee subsequently begins a new program.

The cost of developing skills in the most vulnerable segments of the population must include a commitment to long-term multilevel upgrading (vertical-from novice to advanced skills in the same field and lateral upgrading-occupational change). A commitment to long-term training was central to many concerns about the current support for training.

## COMMENT ON THE PROCESS

CFI appreciates federal support for consultations on social security reform. The contracted time lines, however, have placed serious constraints on the consultation process.

Participants were invited to comment on the process. The following represent the general reaction to the timelines outlined by the Standing Committee on Human Resources Development.

*The unreasonable timelines betray a lack of commitment from the government to truly consult Canadians; a sad blight on a hopeful opportunity to revamp an ineffective system. Respondent - written feedback*

*Makes you wonder if your process is really valued, or if all that is happening is consent manufacturing. Respondent - written feedback*

Despite time constraints, CFI is appreciative of the considerable effort to participate in the consultation which was demonstrated by so many individuals and organizations.

## CONCLUSION

Both individuals and governments have mutual obligations. It is at the local level where these obligations can best be fulfilled. Communities must be committed to finding the necessary jobs and training that will permit individuals to become independent. This commitment can only be generated if communities participate in the decisions affecting local training and economic initiatives. It is essential that the safety net remain intact. The cost of forgetting struggling individuals and families may be a lost generation.