

**SOCIAL UNION FRAMEWORK AGREEMENT (SUFA)**  
**THIRD YEAR REVIEW**  
**A SUBMISSION BY**  
**THE CANADIAN COUNCIL ON SOCIAL DEVELOPMENT**  
**October 2002**

The Canadian Council on Social Development welcomes this opportunity to submit its views on the occasion of the three-year review of the Social Union Framework Agreement. We will make a few general comments about this process, and then follow the format outlined by the review committee.

**The CCSD**

The Canadian Council on Social Development is a leading authority on economic and social issues in Canada. As a non-profit, membership-based organization, we produce statistical and qualitative research on such issues as employment, poverty, immigration, disabilities, and child well-being. Our mandate is to advocate for progressive social development in Canada, so we take a strong interest in the success of the SUFA review.

**Process and Policy: An overall critique**

We believe that the Social Union Framework Agreement (SUFA), signed in 1999, has great potential for positive social change. But this potential has been stifled by a number of factors which we will outline below.

Our first criticism involves the limited and exclusive nature of the review process itself. Although this review is important, its modalities were announced late, participation was limited, and the one-day meeting in Ottawa was held on the same day that the 2002 Speech from the Throne was delivered. This made it very difficult for many organizations to attend or to give the review its full attention.

Our second concern involves the lack of full participation of major players. While the federal government, nine provinces and three territories are signatories, the SUFA framework excludes important stakeholders:

- Aboriginal governments and Aboriginal organizations, many of whom are in negotiations for self-government status, are absent.
- There is also no clear role for municipal governments in the social union review process. This is a serious omission, given that the majority of Canadians live in urban areas, and cities and towns often have to implement the social strategies decided upon by other levels of government.

Moreover, Quebec is not at the table and this represents a serious weakness. In many instances, Quebec has shown itself to be a leader in social policy, most recently with the implementation of an affordable, universal daycare program and their announcement of an ambitious anti-poverty initiative.

Finally, we are concerned that the scope of the consultations is too narrow and leaves little room for input from the voluntary sector and community-based organizations. This contradicts the recently concluded agreement between the Government and the Voluntary Sector. *The Code of Good Practice in Policy Dialogue*, published in October 2002 as a component of the Accord between the Voluntary Sector and the Government of Canada states that, “The Government of Canada recognizes the need to engage the voluntary sector in open, informed and sustained dialogue in order that the sector may contribute its experience, expertise, and ideas in developing better policies and in the design and delivery of programs.”

In this review process, we will not deal strictly with the “form” that the SUFA agreement takes, as we have been asked to do, but also comment on some of the social policies which are the rationale for its existence.

## Point-by-Point Response

### Principles

The agreement sets out not only a framework for improvement of the social union, but also a series of principles which serve to state our collective goals as a society.

The existing principles of the agreement are generally sound. There is significant recognition of the Canadian values of “equality, respect for diversity, fairness, individual dignity and responsibility, and mutual aid and our responsibilities for one another.” Even more promising is the principle stating that one of the aims of Canadian society is to “provide appropriate assistance to those in need.”

In order to guarantee the future of social programs, SUFA sets forward the goal to “ensure adequate, affordable, stable and sustainable funding for social programs.” This is perhaps the clearest and most direct statement of what is needed, and it also identifies what is missing from our major programs in such areas as housing, welfare and child development.

While these sentiments certainly should be at the core of work done under the Social Union Framework Agreement, we do not see them adequately reflected in the concrete policies and programs developed through the SUFA. It is ironic that these tenets are being enunciated at a time when so many Canadians are being marginalized, both socially and economically and when so many Canadians are going hungry.

The principles also commit SUFA to “work in partnership with individuals, families, communities, voluntary organizations, business and labour, and ensure appropriate opportunities for Canadians to have meaningful input into social policies and programs.” For perhaps the first time, a document signed by the federal, provincial and territorial governments highlights the role of voluntary and labour organizations. This commitment reinforces the new Accord between the Government and the Voluntary Sector.

Unfortunately, these commitments have failed to materialize into any effective mechanisms for consultation.

One group noticeably absent even from the statements of principle is the Aboriginal community. In fact, the only meaningful reference to Native peoples is a negative one:

“For greater certainty, nothing in this agreement abrogates or derogates from any Aboriginal treaty or other rights of Aboriginal peoples including self-government.”

Overall, the SUFA principles are commendable, and they confirm our commitment to maintain the basic tenets of the welfare state. However, there is a troubling contradiction between the generally positive rhetoric of SUFA’s principles and the absence of any real and sustained effort to implement them. For example, two of the pillars of our social infrastructure, the health and education systems are in desperate need of additional and sustained funding.

### **Mobility Rights**

The section on mobility rights promises to dramatically lower barriers to mobility within Canada. The highlight of the SUFA agreement is the promise that “governments will eliminate, within three years, any residency-based policies or practices which constrain access to post-secondary education, training, health and social services and social assistance, unless they can be demonstrated to be reasonable and consistent with the principles of the Social Union Framework.”

Unfortunately, there is no way to verify whether these goals have been accomplished. While this is one of the few areas where there has been reporting by individual provinces, there has been no independent review of provincial claims that residency requirements have been eliminated, and there are no inter-provincial comparisons.

It is also important to underline that residency requirements are not the major barrier to occupational and professional mobility. The most important barrier still remains the recognition of out of province credentials by professional colleges and governments. This issue remains to be solved in a comprehensive fashion. There is also a complete lack of the inclusion of an urgently needed strategy to more rapidly recognize foreign credentials, a problem which particularly impacts on immigrants.

## **Public Accountability and Transparency**

Perhaps it was on the issues of transparency and accountability that the social union framework offered the greatest promise – yet has yielded the greatest disappointments.

SUFA promised “effective mechanisms for Canadians to participate in developing social priorities and reviewing outcomes,” but it has failed to create any effective mechanisms for this input.

This failure is all the more troubling because the federal government has clearly committed itself, through its Accord between the Government and the Voluntary Sector, to “engage the voluntary sector in open, informed and sustained dialogue in order that the sector may contribute its experience, expertise, knowledge and ideas in developing better public policies and in the design and delivery of programs.” Effective citizen engagement and civil society participation are key to the success of the SUFA process.

Likewise, governments have failed to fulfill their promises, in any meaningful way, to “monitor and measure outcomes of its social programs; report regularly to its constituents on the performance of these programs; share information and best practices to support the development of outcome measures; and work with other governments to develop, over time, comparable indicators to measure progress on agreed objectives.”

In fact, governments collectively promised to “use third parties, as appropriate, to assist in assessing progress on social priorities.”

Unfortunately very little of this has come to pass. Governments appear reluctant to submit their programs to objective and rigorous comparisons.

## **Federal Powers and New Social Programs**

SUFA seemed to hold out the possibility of an ambitious federal agenda of social programming, since new programs would not require unanimous provincial approval but only the support of a majority of provinces. A national child care strategy, for example, would indeed be possible, even if some provinces were to object.

However, no major new programs have been implemented except the children's initiatives discussed below. This again confirms that the text of the SUFA is much stronger than its record of practice.

At the time of signing, SUFA was supposed to "reinvent the country," as then-Minister of Human Resources Development Pierre Pettigrew promised. It was supposed to open a debate about how to renew the social union – a debate crucial to Canada's future.

But little has been done under the agreement to restore Canada's weakened and under-funded social services, or to modernize its aging and incomplete social infrastructure. Where action has been taken, it has fallen far short of the ambitious goals and principles enunciated by the SUFA. Let's examine some of the key areas where SUFA has been put into practice.

### **The National Child Benefit System (NCB)**

One of the few real concrete steps forward has been the agreement around the NCB. While progress has been made through the NCB, its potential to alleviate child poverty has not been fully realized.

The NCB provides a level of financial support – a maximum of about \$2,400 per child – that is far below the level needed to raise many children above the poverty line. It remains to be seen whether the increases announced in the 2002 Speech from the Throne will be enough to dramatically alter this fact. The CCSD, along with other organizations concerned with child welfare, has been advocating for a substantial increase.

The greatest tragedy of the NCB is that it fails to reach many of the neediest recipients. Many provinces still claw back this benefit from welfare recipients – those who need it most! The National Council of Welfare has reported that only 66% of families who received the supplement between June 1998 and June 1999 kept the full amount. This claw back has hit single-parent families the hardest, and those families are overwhelmingly led by women.

### **Early Childhood Development Initiative**

The other major policy developed through SUFA has been the Early Childhood Development Agreement (ECDA). The ECDA tackled a much-needed area of federal/provincial collaboration, and it recognized the importance of investing in our children. But the \$2.2 billion dedicated to this program over five years is clearly insufficient. With Canada's 2.5 million children aged 6 or younger, this funding translates into just a little more than \$100 per child over the next five years.

With adequate funding and a real commitment from the provinces, the ECDA has the potential to make a real contribution to child care in Canada. Unfortunately, there has been no requirement for provinces to spend any of the limited initial funds on child care development.

There is also a lack of clarity about exactly how the ECDA funds are being spent and how governments will report back to Canadians. The funds flow to the provinces through the CHST, a block fund, making it very difficult for Canadians to monitor how those funds are being allocated.

Finally, the federal, provincial and territorial governments, through SUFA, also need to move forward on an effective policy strategy for improving access to disability supports. In a joint accord called “In Unison: A Canadian Approach to Disability Issues”, these governments committed to a new “policy blueprint” for persons with disabilities to achieve full citizenship (Quebec has stated support for the intent of the accord but is not a signatory.)

As stated in a recent report by the Roeher Institute “Canadians need a comprehensive, coordinated and portable support system that treats persons with disabilities like whole persons and full citizens instead of charity cases...”

## **Recommendations**

The CCSD believes that, if SUFA is to continue, the agreement requires broader participation, engagement, debate, analysis and information sharing.

We have three recommendations on the issue of process:

1. Develop and fund effective mechanisms to ensure the full participation of the voluntary sector, municipal governments and Aboriginal organizations and governments.
2. Use the SUFA process as an opportunity to engage Canadians in a full debate about existing and future social needs and the means whereby Canada's social infrastructure can be modernized to meet those needs.
3. Establish a third party structure that is independent of government – a Social Union Research Centre – to monitor social program spending and compare and contrast programs in different jurisdictions.

To conclude, the CCSD wants to see the SUFA process live up to its stated principles of fostering “equality, respect for diversity, fairness, individual dignity and responsibility, and mutual aid and our responsibilities for one another” and ensuring that Canadian society is able to “provide appropriate assistance to those in need.”

If SUFA can meet its stated principles, among the key outcomes we would expect to see in the years ahead would be the following:

- A substantial reduction in the rate and depth of poverty;
- A national day care strategy inspired by the Quebec model;
- A national initiative to raise the minimum wage in all jurisdictions above the poverty line;
- A national welfare standard which is above the poverty line;
- An effective strategy for ensuring full access to comprehensive disability supports;
- An enriched National Child Tax Benefit with assurances that all welfare families are eligible;
- Elimination of interprovincial residency requirements and fee differentials for long-term care, all health procedures, post-secondary education, and other services;
- A co-ordinated strategy to build low-income housing and end homelessness;
- Realisation of food security for all in Canada.

