

Newfoundland & Labrador Association of
Social Workers

Newfoundland and Labrador Association of Social Workers
Pre-Budget Submission
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Presented to: Honorable Jerome Kennedy
Minister of Finance and President of Treasury Board

Newfoundland and Labrador Association of Social Workers (NLASW)

NLASW is the regulatory body and professional association for over 1450 professional social workers in this province. The vision of the NLASW is excellence in social work.

As a profession, social work is committed to improving the well-being of individuals, families and communities through intervention and counselling, social policy analysis, collaboration, research, health promotion and community capacity building.

This year marks the 21st anniversary of social work regulation in Newfoundland and Labrador, and in the pursuit of excellence in social work the NLASW is actively engaged in social policy analysis. In this submission, it is our intention to provide input and recommendations for the 2013 provincial budget.

Profession of Social Work Priorities for Funding

While it is recognized that government has a fiscal and social responsibility to the people of NL, finding the balance between debt reduction, economic growth, and social development is essential to moving forward to creating a healthy and vibrant province.

As a profession, social workers have supported the social policy directions taken by government in recent years. These policy initiatives have included the development of the *Poverty Reduction Strategy*, *Long Term Care and Community Supports Services Strategy*, *Early Childhood Learning Strategy*, the *Strategy for the Inclusion of Persons with Disabilities* and the *10-Year Child Care Strategy*. The NLASW participated in the consultation process for each of these strategies. Collectively, these strategies address important and significant issues across the life span. Yet, these strategies can only be as successful as the level of economic and human resources committed to them.

In budget 2013, social workers recommend that Government continue to focus on investments in social policy, program development and service delivery, in the same regard as economic planning and development. This brief addresses the following priority areas:

- 1. Balance between Economic and Social Responsibilities**
- 2. Health Care & the Growing Economic Gap**
- 3. Minimum Wage**
- 4. Long Term Care and Community Support Services**
- 5. Child, Youth and Family Services**
- 6. Professional Development**

Balance between Economic and Social Responsibilities

In the 2012 Speech from the Throne, the Honourable John Crosbie stated “We have finally embraced our newfound status as one of Canada’s leading economies, buoyed with confidence and optimism that we are poised to witness successes unprecedented in Newfoundland and Labrador’s history”. He further stated that “We will not allow poor choices based on failed philosophies and narrow agendas to reverse every gain we have worked so hard to achieve and squander the very opportunities that our approach this past eight years has made possible”. These opportunities and gains include investments and developments in social programming.

The NLASW recommends a balanced focus on social and economic development in budget 2013. Investments in projects such as Muskrat Falls will cost the tax payers of NL a significant amount of money, with the promise of long term economic savings and enhanced power delivery. It is imperative that these costs are balanced with the costs of poverty, unemployment, low minimum wages, and stressful working conditions, as reductions in these areas will not reduce costs for the government in the long term.

Health Care & the Growing Economic Gap

According to Jackson (2009) “income is perhaps the most important social determinant of health (p. 12). It is therefore disconcerting that the economic gap between the rich and poor continues to increase, with a growing number of people who are not benefiting from our thriving economy. A 2011 report from the Organisation for Economic Cooperation and Development found that in OECD countries, “the average income of the richest 10% is now about nine times that of the poorest 10%”. In Canada, the average income of the top earners in Canada is 10 times higher than the lowest income earners. This growing economic gap is of high concern to social workers due to the overall impact of poverty and income inequality on the health and well being of individuals and families.

A 2011 report from the National Council of Welfare highlighted that “about 20% of health care spending in Canada can be attributed to socio-economic factors such as income-related disparities.” In light of the recent report from the Fraser Institute, this statistic is quite significant. While it is recognized that the report from the Fraser Institute did not reflect the geographical and demographic realities of our province, it is important that government explore the role of income related disparities on health expenditures in the province. According to Sherri Torjman (2012) with the Caledon Institute of Social Policy:

“It is not aging per se that is driving cost increases. Rather, higher expenditures are linked primarily to the rising incidence of multiple chronic illnesses. This growing pressure on the health care system – coupled with governments’ desire to slow the relentless increases in health spending – have led to endless roundtables, conferences and papers on health care reform. The discussions typically conclude with the need to find ‘efficiencies’ and innovation in the current system. But often missing from the conversations are the factors that can have the biggest impact on health care spending because they have the largest impact on health. The most profound levers for change include reduced poverty, active living and home care. Paying attention to these factors will lead to more significant health care reform than any of the discussions that keep focusing solely on the existing system”.

The NLASW recommends that investments and policy development within health care be analyzed through the lens of the social determinants of health so that our health care dollars are having maximum impact. In addition critical attention must be given to the rising economic gap and the implications this has for the people of Newfoundland and Labrador and on our growing economy. In a press release by the Conference Board of Canada (2013), President and CEO Daniel Muzyka highlights that “Rising poverty rates and greater income inequality can mean a weakening in labour force attachment and social cohesion”. Other organizations such as the International Monetary Fund and the World Bank, also agree that pronounced inequality has a negative impact on the economy (Gibson, 2012). Income disparity affects physical health, mental health, addictions, crime, chronic disease and education. These “social costs” are also financial costs that will have a great impact on our economy and future budgets if not addressed in the short term.

Minimum Wage

Recently, the NLASW participated in the consultation process for the minimum wage review. While critics to minimum wage increases may argue that raising the minimum wage will negatively impact employment rates, Murray and Mackenzie (2007) with the Canadian Centre for Policy Alternatives highlights that there is “no compelling evidence to suggest that raising the minimum wage would result in significant job loss” (p. 8). As a profession, social workers believe that a competitive minimum wage policy is important to a successful poverty reduction strategy and in reducing income disparities. The NLASW therefore proposes that government consider the following recommendations in its budgetary planning:

- Annual increases to the minimum wage that are indexed to inflation or tied to the average wage increase for the province, whichever is higher.
- First increase to the minimum wage to begin in early 2013.
- On-going evaluation of minimum wage policies and the impact on individuals and families in the province. According to Statistics Canada (2010), women are more

likely to work in minimum wage positions than men. Therefore gender policy analysis is also important.

Long Term Care and Community Support Services

Social workers continue to support the implementation of a *Long Term Care and Community Support Services Strategy* which was released in June of 2012. As we move into 2013, it is recommended that government consider the following key priority areas:

- Continue to examine and increase the ceiling threshold on funding for individuals who require home care services to ensure that individuals requiring these services are able to be adequately cared for in their homes.
- Continue to expand the number of portable subsidies for personal care homes to allow individuals requiring this care to remain in their communities and/or closer to their social support networks.
- Continue to expand respite programs and protective care residencies throughout the province and ensure that convalescence services are available for seniors.
- Increase access to more affordable assisted living.

Child, Youth and Family Services

The completion of the transition of over 800 social workers and other employees from the Health Authorities to the Department of Child, Youth and Family Services was a huge accomplishment in 2012. As we move into 2013, it is important that government continue to place an emphasis on the health and well being of the children and youth in this province and that momentum and progress gained be continued and enhanced. Funding for child, youth and family programming must remain a priority.

It is also imperative that investments in the 10 Year Child Care Strategy be continued. According to the World Health Organization (2008), "investments in the early years, provides one of the greatest potentials to reduce health inequities within a

generation.” Access to affordable, high quality child care is also a factor that directly impacts on a parent’s ability to return and/or remain in the workforce. It is therefore important that government continue to enhance and expand access to regulated child care in this province.

Professional Development

The NLASW is concerned about the recent budgetary restrictions respecting educational leave for health care professionals in the province. Accessing continuing education to increase knowledge and skills is foundational for the advancement of our health care system. Social workers have a professional obligation to engage in ongoing learning as set forth in the Canadian Association of Social Workers Code of Ethics.

While it is recognized that continuing education is a shared responsibility, employers and regulatory bodies need to work together to ensure that our professionals are supported in their task of providing excellent health care. It is hoped that the restrictions on educational leave are temporary and will be re-evaluated in the upcoming budget year.

Alternatives to Reductions in Provincial Spending

Finding ways to reduce spending while addressing priority areas in any provincial budget is not an easy task. It is well known that the health and well-being of individuals and families is impacted by many factors or determinants of health. Therefore, reductions in spending in one area, will inevitably impact other programs or services, whether directly or indirectly.

Alternatives to reductions in spending on social programs may include:

- Examination of the various tax structures and the impact on provincial revenues to support social programming and development and reducing income inequality;

- Indexing the minimum wage to keep more people out of poverty;
- Long term visioning and recognition of the impact of investments in early intervention and prevention on reducing/stabilizing health care costs; and
- Continuing to work with the Federal Government on the renewal of the CST and in developing a CST formula that works for the provinces and territories.

Summary

The NLASW has been encouraged by policy directions taken by the Government of Newfoundland and Labrador, and the social investments that have been made to enhance the health and well-being of individuals, families and communities in this province. In this regard, NL has become a true leader. However, with talks of economic restraints, deficits and departmental cutbacks, now is not the time to cut social programs or to stop the gains that have been made in our work towards building one of the most healthy and prosperous provinces. As a profession, social workers look forward to continuing to work with government in informing policy and program development in meeting the needs of Newfoundlanders and Labradorians.

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