'Hard Times' in the 'New Times': The Institutional Contradictions of an Emergent Local Workfare State (*Ontario Works* in Ottawa, Ontario, Canada)

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Abstract

The thesis explores the shift from Keynesian welfare to Schumpeterian workfare, as defined through the interaction of legislative developments, local policy implementation, structures of representation and in the broader political discourse, as a process subject to 'institutional contradictions'. State restructuring processes, including 'hollowing out' and the development of an 'extended local workfare state', are examined using a variety of primary and secondary research on Ottawa-Carleton. The thesis finds that mandatory work-for-welfare ('narrow' workfare) raises serious questions for the sustainability of state strategies at the local level, while the decline of full employment and the rise of 'full employability' and 'workfarism' ('broad' workfare) is manifested in an 'extended local workfare state'. Both the 'employability' and the 'workfarist' paradigms are blended into the 'super-structure' of hegemonic domination. This domination is hegemonic precisely because of the mix of consent and coercion in the re-invention of the 'welfare recipient' as the 'workfare participant'.

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Introduction

Introduction

The aim of this Introduction is to: (1) clarify the reason for choosing this topic; (2) outline the research methodology; (3) situate the approach; (4) provide the thesis question and argument; (5) outline the concepts that contribute to the development of existing research on the topic, and the contribution of the research data; and (6) to summarize each thesis chapter, showing how the chapter addresses the question and argument.

Focus of Thesis

'Workfare' is a concept with a multiplicity of meanings, which means that the approach to the topic involves a necessarily lengthy elaboration on the various concepts, and how they are operational in the context of Ottawa-Carleton and Ontario. There are two definitions of 'workfare' that are referred to in this research. The first is based on the distinction between welfare-to-work programs that aim at increasing employability voluntarily and work-for-welfare ones that involve a mandatory obligation to participate. In the first definition of 'workfare' (as mandatory work-for-welfare), the latter is the subject. In the second definition of 'workfare' is related to the broader shift in the subordination of social policy and income maintenance to labour market and economic imperatives, a process that encompasses the continuum of welfare-to-work and work-for-welfare programming.

This thesis topic was chosen as a result of the author's involvement in a local activist group, whose members came to be exposed to the Ontario government's

new workfare initiative, Ontario Works. Ontario Works was initiated in Ottawa-Carleton in September 1997. Details about the program were sketchy, except that it was to involve mandatory work-for-welfare and the removal of a range of services for persons on Occupational Therapy and other Family Benefits programs, and consolidation into the general welfare caseload. There was a new work-for-welfare component associated with Ontario Works known as Community Placements. Because of this, members of the group, including the author, participated in the formation of an organization, Welfare Recipients for Fair Employment (WRFE), over the fall and winter of 1997.

Over the 1997-2000 period, WRFE has had a small and non-continuous membership of between 25-30 people, most of whom were social assistance recipients, but only a few of which were active community placements. The original purpose of WRFE was to defend the on-the-job rights of workfare workers as well as to defeat workfare by forcing workfare employers to take on their placements as paid positions (Welfare Recipients for Fair Employment, 1998). The strategy in general is as follows. In organizing workplaces where workfare labour is deployed, any existing union is approached and clarification on 'organizing turf' established. If existing unions such as CUPE are prepared to support the organization of workfare workers, WRFE will support any campaign by the local. If not, we ask that they respect our organizing efforts. The intent is to target winnable sites for strike and picketing action by WRFE members, excepting any workfare workers with an obligation to be 'on the job' and on the targeted site, demanding to negotiate the terms of waged employment with the employer.

Over time, and in line with the existing priorities of social assistance recipients in the Region, WRFE's mandate has evolved to include welfare defence work, counselling and advocacy on behalf of both Ontario Works (OW) and Ontario

Disability Support Program (ODSP) recipients. The creativity and investigative capacities of members of organizations such as WRFE in Ottawa-Carleton and of other groups develop these strategies of engagement dynamically. For all organizations where a placement is not currently active, different kinds of engagement with organizations to attempt to convince them to withdraw from the program, such as agency board workshops, letter writing campaigns outlining concerns with workfare, etc., are deployed. WRFE is, however, still developing its capacities to pursue all these strategies by involving more members in this work, but remains trapped at the investigative stage while data on participating organizations has become harder to access, and is receding into the horizon.

Methodology

The methodology used in this thesis draws inspiration from the lessons of participatory action research (PAR). In PAR, the goals of the research project are to advance the struggles of participants in improving their collective circumstances. This is achieved through the active and informed participation of members of the collectivity in the design, gathering of data, and interpretation of findings from the research project. This research is not PAR in this strict sense; it might be better described as 'action research', based upon its orientation to practical ends determined by the researcher and selected informants.

Participatory action research (PAR) places the questions and concerns of those affected by the problem – that is, workfare – at the forefront of the research project. Questions asked by the researcher should reflect the values and positions of social assistance recipients and workfare workers, and be relevant to their collective project(s). As such, action research cannot be limited to the recounting of personal experiences on welfare or workfare, although these

clearly remain important. The goal is to enable the self-organization of welfare recipients and workfare participants. In this sense, the research on the CP program was conducted not in a value-neutral way, but was intended to help further the resistance to workfare, in collaboration with organizations of people on welfare and trade union bodies fighting anti-workfare campaigns.

In January-February 1998, the role of the author as a volunteer organizer with WRFE coincided with his position as a graduate student conducting research on the organization of work at Carleton University. Using academic credentials, the author was able to gain access to the names of organizations that were active in the nascent Community Placement program. In January and February 1998, the names of all organizations that had signed a "consent to promote organization" form with the Region were released from Social Services to the author. After a brief consultation, the author determined that the consent form for organizations would not override Freedom of Information, and went that route to secure the names of the other organizations participating in workfare. This data was released to the public in March 1998.

Others have advanced local data collection and dissemination since that time. Access to Information requests on the part of two others, Ken Clavette, business agent for the Ottawa and District Labour Council (ODLC), and Peter Moore, organizer for WRFE, helped to supply additional data on organizational participation, correspondence between the Region and MCSS, and data on the use of workfare labour by occupational type and hours per position referenced in this thesis. Additional qualitative data was gathered from both primary and secondary sources, referencing a variety of parties, including community agency staff, union staff, some public officials, as well as frontline workers and welfare recipients.

The involvement this author in the consolidated data collection and analysis used for this research aims to improve the strategic and tactical resources of labour and community groups in challenging workfare in Ottawa-Carleton. The practical ends of this research are to better inform how resistance might be most effective and in identifying barriers to effective resistance projects, particularly in Ottawa-Carleton. In the case of data on organizations participating in the CP program, and the kind and amount of socialized labour-power they are engaged in using, leads to further questions regarding organizational goals, budgets, payrolls, etc. This information gathering is essential for any effective campaign that aims to pressure organizations to take on workfare workers as paid employees and to recognize any unions formed by these employees. It also is of significant interest for further research into workfare and the theorization of the extended local workfare state.

The data gathered and presented here is a rich resource for studying workfare and the Community Placement program as it has been implemented at the local level in Ontario. It is also an essential resource for anti-workfare organizers, as they cannot do their job effectively without access to this kind of information. The following Appendices are thus included:

Appendix 1 ("Participatory Action Research in Ottawa-Carleton: Perils and Pitfalls") outlines existing strategies on Access to Information, and contains a record of the current jurisprudence on Freedom of Information that is at the time of this writing blocking access to previously released data for citizens across Ontario.

Appendix 2A contains a consolidated list of names of participating organizations in the CP program over the 1998-2000 period, consolidated from the three organizational participant lists accessed under MFIPPA in Ottawa-Carleton.

Appendix 2B includes a list of organizational withdrawals, based on the ODLC request.

Appendices 3 and 4 contain the Consent to Promote forms used by the regional and provincial governments with respect to individual and organizational participants in the program.

Appendix 5 ("Consent and Coercion in the CP Program – An Interpretative Framework") is included to remind organizers and theorists alike that the mandatory-voluntary distinction is best captured in terms of positions on a continuum, and that a significant amount of diversity in reasons for participation exist within the implementation framework.

Appendix 6 ("Situating Welfare-Workfare in the Ottawa Labour Market – Technical Notes") provides additional background to the analysis of the Ottawa-Carleton economy and labour market in the 1990s.

Appendix 7 ("Workfare and Human Rights") highlights the record of Canada and Ontario in terms of the failures of 'workfarism' in preventing Canada from meeting its international treaty obligations.

Theoretical Framework

The theoretical framework for this thesis is drawn from Jessop *et. al.*'s discussion of the shift from the Keynesian welfare state (KWS) to the Schumpeterian workfare state (SWS), focussing on the 'workfare' aspect. A regulation approach to the question of workfare recognizes the historical and geographical context of workfare and its 'embeddedness' in pre-existing state structures at the local and supra-local level, within the broader shifts from Fordism to post-Fordism and

from Keynesian welfare to Schumpeterian workfare. Variants of workfare described by the various forms of the SWS (neo-liberal, neo-corporatist, and mixed systems) and the relationship of workfare to general considerations about labour market flexibilization are considered further below. Contradictions and challenges in both the implementation and resistance of workfare facing global capital, state managers at a variety of state levels, as well as activists and local community-based organizations, are surveyed.

Workfare is understood by some as including all welfare-to-work programs, while some limit the term to work-for-welfare programs. It is also a term used to describe broader shifts in the structures of the state, economy, and society, as in the use among theorists of 'Schumpeterian workfare state'. At this level, the theoretical locus of this thesis is the Jessop-Peck debate, integrating the insights of other regulation theorists (Jenson, Lipietz, Aglietta, Mahon, and others) as a way of framing the debate. The various institutional contradictions of workfare in its various meaning are summarized and assessed throughout the exposition of the thesis.

One of the core concepts developed in this research is 'full employability', particularly in the sense of the shift from 'full employment' to 'full employability'. The employability paradigm recognizes that not are potential labour market participants are active in paid jobs, that employment contracts have become increasingly varied, and job attachment correspondingly weakened. With the conditions for employment-creation policies through government spending receding into the past in the post-KWS era, the only scope for state and community action is through enhancing employability and creating the most job-ready labour force. This tendency to 'full employability' may entail additional costs on the state for its full realization, but the policy framework clearly aims to support labour market discipline and increasing competitiveness

at all levels. The contradiction between 'full employment' and 'full employability' is a fundamental 'institutional contradiction' of the emergent local workfare states.

Another core concept that is problematized in this research is Jessop's thesis of the 'hollowing out' of the national state. 'Hollowing out' in the Canadian context has a number of sub-national elements. First is the process of devolution in federal-provincial relations over the past two decades. Notable parts of this were found in the agreements on training for employable social assistance recipients in the 1980s, the decline of fiscal federalism (e.g. the cap on the CAP, the CHST), declining EI coverage and increased federal savings through the accumulation of a large surplus in the EI accounts throughout much of the 1990s, and the increased income maintenance costs of provincial and local governments resulting from a higher proportion and caseload of employable SARs. At the same time, increasing fiscal pressures on the part of municipalities associated with downloading, and municipal restructuring by the province, has contributed to a framework of greater provincial state influence in local modes of governance. The uneven development of the 'downward' part of 'hollowing-out' in the Canadian context, in the contrast between federal-provincial relations and provincial-municipal restructuring, and across localities is a notable part of the challenge for local governance of social welfare.

Hollowing-out is also a contradictory process when looked at from the vantage point of social policy formation and implementation. At the supra-national scale, the impotence of United Nations human rights conventions and overseeing committees that seek compliance with these rights on the part of member states is clearly manifested in the case of Canada. Social policy as practices in the late 1990s has come up for censure by these bodies; yet compliance is not forthcoming, in part due to the federal structure of the Canadian political system,

where the federal state lacks accountability for provincial government measures. At the local level, forces increasing the importance of local workfare states express a variety of contradictions, primarily between an increasing fiscal burden and decreasing autonomy in social policy-making, in a provincial-municipal environment characterized by 'central imperative coordination'.

Question and Argument

The research question is whether workfare in both the broad and narrow senses of the term is a sustainable program and set of social practices, within the contours of an extended local workfare state. How, in a general sense, can workfare be read in terms of the putative shift from welfare to workfare, the 'hollowing out' of the nation-state, and their associated contradictions? Further, how should workfare be analyzed as a particular component of Ontario Works, the government's putative 'work-for-welfare' program, and what are the institutional contradictions of this program and set of social practices?

This thesis argues and demonstrates the following: (1) workfare in the narrow sense is an inherently unstable and contradictory practice that 'succeeds' only in creating additional social and private hardship; and (2) workfare (or 'workfarism') in the broad sense is an open-ended general tendency across North America, Europe, and Australasia and thus does signal a broader 'regime shift'. The sustainability of this emergent model is unproven, but nor has it yet been disproven. Existing theory and empirical evidence suggest that workfare in the narrow sense is fraught with 'institutional contradictions' and prone to exacerbate pre-existing crisis tendencies, which may contribute to rendering the broader shift from 'full employment' to 'full employability' increasingly subject to crisis and resistance itself.

The thesis argument is based upon the premise that the power of collective action can accomplish change and build the conditions to successfully resist programs such as mandatory work-for-welfare. The re-emergence of workfare in particular localities may increase the scope for class-based projects of resistance and counterhegemony. These projects, and the structures that are being resisted, are temporally bound; changing times and changing economic and political conditions may produce results or new consequences for both over time. The realization of the prospects for resistance are, especially in Ontario and Ottawa-Carleton, bound up in the question of the potential gap between existing versus future conditions. Changing conditions may enable forward-looking efforts to build organizational and popular sector capacity in a strategic capacity to bear fruit in forging a new social compromise. Much is dependent, however, on the creating capacity of labour and community forces to better marshall their resources on strategies against workfare and for alternatives can be fought for and won in the interim and well as in the long-run.

Summary of Chapters

The organization of this thesis is admittedly difficult, but does answer the research question. The integral concepts of 'full employability', 'workfarism', and 'hollowing out' are woven throughout the presentation. Methodological skepticism about both the 'success' of implementation and resistance to emergent local workfare states is expressed, while the prospects for struggle may be increased through a variety of strategies combined with changing political and economic conditions.

Chapter Two, "Workfare and the Schumpeterian Workfare State" establishes the dimension of the research topic and introduces a variety of other core concepts with which to think about workfare in the context of Ottawa, Ontario, Canada.

Jessop's theory of the Schumpeterian Workfare State (SWS) is examined a great detail, and from a variety of perspectives.

Chapter Three, "The Origins and Evolution of Workfare and Ontario Works" outlines the institutional contradictions of workfare in general, historical and comparative terms. and the case of Ontario is examined in line with developments in Canada and internationally.

Chapter Four, "The Implementation of Ontario Works in the Ottawa Labour Market", situates the reader in terms of the specific local context of policy implementation, in terms of both the labour market and the local data on Ontario Works and CP program participation.

Chapter Five, "An Emerging Local Workfare State in Ottawa-Carleton", examines the politics of implementation and resistance in greater detail, drawing upon the insights of Jamie Peck's account of social regulation and Bob Jessop's account of the social mode of economic regulation.

Chapter Six, the Conclusion, provides a synthesis of the Jessop-Peck debate, how this research contributes to the debate and the problematization of Jessop's theory of 'hollowing out'. The conclusion also sets out the contribution that this research on workfare makes to the understanding of state theory, post-Fordism, and social movement politics.

Chapter Two

Workfare and the Schumpeterian Workfare State

Introduction

> "The poor don't work because they have too much money, and the rich because they don't have enough." – Anonymous

This chapter locates the institutional contradictions of an emerging local workfare state in Ottawa-Carleton in the late 1990s in the context of the general shift from welfare to workfare. Welfare reform under the Mike Harris government in Ontario, while representing a clear ideological shift ('workfarism'), was embedded in a longer-term process of state restructuring in Canada and internationally. In the following two chapters, the Canadian context as well as original empirical research on workfare at the local level is examined in the context of these broader 'state shifts'.

This 'post-welfare' state can be seen as increasingly authoritarian in its efforts to maintain or re-impose social stability. But not everything is in equilibrium, in that important resistance movements have emerged in response to these changes. Social forces need to be taken into account; identity, agency and struggle are necessary in order for us to better understand the new balance of class power underpinning the respective crises of Fordism and of the Keynesian Welfare State (KWS).

This research is of interest and important in both theoretical and political terms. It can help to clarify a number of questions about both the form and functioning of welfare and workfare at the local level, contradictory aspects of the implementation of workfare and spaces for anti-workfare resistance. The focus on the 'workfare question' and related theoretical framework is developed in this

thesis by applying some of the ideas of the Regulation school to theorizing emerging local state structures.

In Globalization and the Decline of Social Reform (1995), Gary Teeple describes how welfare policy had become subordinated to international competition for global capital investment. The Keynesian welfare state (KWS) met the political and economic requirements for capitalist reproduction for a period of time that, for a variety of reasons, now lies in the past. Not-so-new social practices, both colloquially and theoretically described as 'workfare', are once again part of the reality for more and more people living on the margins of a now post-industrial, post-Keynesian capitalism.

Processes of economic globalization for capital have changed wages and welfare from sources of (domestic) demand to production costs for individual nation-states. State restructuring as part of the re-shaping of institutional forms amenable to the new imperatives for innovation and competitiveness, and the emphasis on increased entrepreneurialism and decreased government intervention[1] that characterize our 'New Times', are described by Bob Jessop and others as the Schumpeterian workfare state (SWS).

The "business offensive against labor" so often associated with the SWS, particularly in its neoliberal variant most in evidence, has both a material and ideological component, involving a complex and continuously negotiated dynamic between coercion and consent. It is about both rollbacks for employed workers and support for "administration openly hostile to the welfare state" (Block, Cloward, Ehrenreich and Piven, 1987: xiii). Yet, these 'New Times' are increasingly nuanced: the end of 'full employment' and the emergence of 'full

[1] Government intervention is still important – and workfare provides a powerful example of this. What has declined is the form of state intervention as an autonomous force in the capitalist economy seeking redistributive or non-market ends.

employability' with the onset of the fiscal crisis of the state is also based on the mobilization of consent around a new citizenship regime and a new settlement or 'social contract'.

'Workfarism', as an ideological shift from universalism to particularism, or as a means of separating the 'deserving' and 'undeserving' poor, is a new form of degraded social citizenship within the SWS. Over the past 15 years in Canada, the state has taken a leading role in the redefinition of social citizenship, reframing 'mutual responsibility' between state and citizen by increasing 'obligations' on the part of the 'employable'[2] poor and economically marginalized to participate in 'employability enhancement'.[3] The main imperative for 'full employability' rests on its apparent promise to reduce public expenditures of welfare; increasing the employment and earnings of the economically marginalized is (at best) a secondary concern. The rise of purer forms of workfare has meant the introduction of the 'work test' as a way of appeasing the moral panic surrounding all forms of aid to the poor, by claiming as well to separate the 'truly needy' from the 'indigent' or 'fraudulent'.

To speak of 'full employability' within the regime shift from welfare to workfare is to say little of 'full employment'. This is not a new tension; going back to the difference between the competing social policy views of Leonard Marsh and C.D. Howe in the post-war Canadian context (Battle, 1996; Evans, 1993). The dominance of 'full employment' as a policy paradigm is questionable as ever having existed in the Canadian KWS; less questionable has been the sacrifice of

[2] One of the problems in evaluating these trends is the changing definition of who is considered employable. While there remains a considerable degree of variation across both Canadian and internationally, the term 'employable' increasingly refers to a broader group than previously, especially with regards to lone parents. In the United States, the introduction of workfare has focused on Aid to Dependent Families with Children (ADFC) recipients, the vast majority of whom are single mothers.
[3] Evans (1993) distinguishes between 'work-for-welfare' and 'workfare', which is "a general strategy that attempts to strengthen the obligations of individuals to participate in a variety of employment-related activities" (Evans. 1993: 55).

increasing numbers of un- and under-employed workers on the altar of elimination of the deficit and 'full employability'.

Workfare acts to discipline people on welfare to the labour market, "pressuring participants to take whatever wages employers see fit to offer" (Block, Cloward, Ehrenreich and Piven, 1987: xiii). King (1995) speaks of 'work-welfare', encompassing training for the unemployed, unpaid 'community' work, and job placements. Workfare involves sanctions against welfare recipients who refuse (or are unable) to meet their participation requirement. This "productivist reordering of social policy" emphasizes the deterrence effect of workfare (the 'old'), but also the reorientation of social investment towards supporting the requirements of the capitalist labour market by targeting welfare recipients as a means of:

1) Reducing the cost of the welfare state (deterrence effect)
2) Extracting social surplus value from unpaid workers (from 'recipients' as social cost to 'participants' as social capital, or the contribution effect)
3) Reducing or removing supply-side barriers such as literacy, child care, job search and retention skills, etc. (employability effect)

Peck (1996) describes these developments as indicative of 'workfarism'; a political-economic tendency based on the emergence of a broad consensus "on the moral, political and economic desirability of moving welfare recipients into the work force" (Peck, 1996: 188). 'Workfarism' in its more developed forms occurs within the new policy paradigm of 'full employability', as seen, for example, in both federal and provincial policy discourse in Canada since the 1980s.

Workfare has both 'new' and 'old' aspects when considered as a state strategy. The ideological function of 'workfarism' is part of a regime of moral as well as economic regulation. Resistance and counterhegemonic movements must address themselves as much to 'workfarism' (the ideological/moral aspect), as to 'workfare'. The idea behind the Poor Laws and the present day context of neo-conservative moral panic is the same, based on the belief that relief is the primary cause of poverty (Struthers, 1996: 2). New Right claims that "unemployment insurance creates unemployment", or that "welfare for single mothers creates single mothers" are not new concepts.

The tensions and contradictions in the articulation of the 'old' and the 'new' in these various workfare state projects is mirrored in the lack of correspondence between political-economic realities and political and social discourse. These 'institutional contradictions' of emergent workfare states are themselves a part of processes of experimentation and legitimation associated with emergent SWS state structures involved in program implementation. This process is tendential and open-ended. In this view, local differences matter and generic tendencies over the long-term are harder to discern.

In general terms, 'workfarism' can be defined as a state strategy aiming to meet a number of economic policy objectives. Jamie Peck (1996)[4] identifies five elements as part of 'workfarism' and the emergence of a 'workfare state':

- Access to welfare and employment-related training programs is restructured to market requirements. In Ontario, workfare has led to 'creaming' in selection for participation in social and employment supports (e.g. day care) to those deemed most employable, not those with the greatest social needs.

- The use of compulsion, or incentives[5], to achieve participation in education and training requirements, workfare, and any available low-wage

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[4] See also, *inter alia*, Block, Cloward, Ehrenreich and Piven (1987) and King (1995).

employment. This mix of compulsion and incentive corresponds closely to the Ontario Works model of the 'shortest route to work'.

- Increased policing and surveillance of welfare recipients. The Social Assistance Reform Act (SARA), which replaced the old welfare system and pre-existing legislation, established eligibility review officers (EROs) with the power to arbitrarily enter the homes or workplaces of recipients, increased the powers and mechanisms for welfare fraud policing. Within the Community Participation program, monitoring of participation by placement officers and workfare employers is also notable as part under the Ontario Works Act (OWA) that formed Schedule I to SARA.

- Increased work obligation. This is seen in the 'mandatory requirement' Ontario Works caseload and, in particular, the Community Placement (CP) component of the program. Before the introduction of Ontario Works, General Welfare Act (GWA) recipients also had an active job search requirement.

- Privatization and deregulation of job training. This is less pronounced in Ontario, where literacy and basic skills programs are provided through area high schools and community colleges, than in the U.K. At the same time, there is greater private responsibility for training for those able to afford it, with queued-up residual community sector programs available for those who cannot.

Used in a more narrow sense, 'workfarism' is often expressed in terms of a divide-and-rule, 'two nations'[6] strategy used by right-wing governments and their civil society support base. It is legitimated on the basis of the 'common sense' proposition that those who receive social assistance from the community who are able to work (and therefore 'undeserving' of relief) should be compelled to provide their labour-power to the community. How is this principle put into practice? First, a moral and material judgement as to the suitability of the welfare recipient to appropriate forms of work is given the backing of state coercion on pain of the discontinuation of social assistance, and various forms of policing and surveillance are extensively deployed. Second, 'workfarism' is

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[5] The distinction between compulsion and incentive is an important one in the differentiation of work-welfare regimes.

[6] See Jessop (1990) on Thatcherism.

justified as a social lien which income recipients 'owe back' to society, similar to prison labourers. In Ontario, an economic lien now also exists in the case where social assistance recipients have or come into any material assets that can be used to 'repay' the state.

The introduction of mandatory work-for-welfare is legitimated within the working and middle classes by the propagation of the concept of 'deserving' and 'undeserving' poor, and the cultivation of 'taxpayer outrage' towards people 'on' welfare 'getting something for nothing'. Class domination is also experienced in different ways, depending on age, gender, citizenship, race, and other characteristics, especially as seen in the social relations 'in' and 'of' production, in different social formations. The importance of ideological state apparatuses and the role of political and state officials, intellectuals and commentators within the mass media, the education system and other institutions of civil society are essential to conceiving workfare as 'hegemony armoured in coercion' (Althusser, 1971; Gramsci, 1971).

Many Western Marxist accounts of the capitalist state (such as those of Gramsci, O'Connor, Poulantzas, Offe and Jessop) have emphasized the importance of the composition and role of the ruling class, classes or class fraction(s). In the 'golden age' of welfare capitalism, this emphasis was perhaps well placed and the capital relation clearly remains important. With the breakdown of the social compromise that secured the previous form of capitalist regulation, and as social and economic polarization continues unabated, it has become important to reclaim an understanding of class domination that is based on movement 'from margin to center'. This means that a theory of class dynamics based on class domination and state coercion becomes necessary.

There are both material and ideological aspects to class domination in the case of workfare and both are considered in this investigation. Material aspects of the problem of class domination are evinced by internal and external labour market dynamics; what Burawoy (1985) terms relations 'in' and 'of' production, and what regulation theorists and others identify as 'hierarchies' and 'markets'. Workfare involves forms of domination both within and outside the workplace, extending, for instance, to the home and the local welfare office. Ideological aspects of class domination are equally important to the dismantling of the welfare state.

The Demise of the Keynesian Welfare State and the Return of Workfare

The demise of the Keynesian welfare state (KWS) is seen today as an historical inevitability by intellectuals on both the left and the right of the political spectrum. For the right, there is the celebration of the historical inevitability of neo-liberalism and the 'triumph of capitalism'. For the left, the search for 'a new kind of state' after neo-liberalism continues. There is near-universal agreement on the left that the framing of such an alternative state project precludes any return to the monolithic, inflexible and bureaucratic welfare state. For many neo-Marxists, 'welfare' has been historically viewed as a form of social control in the service of the national state and monopoly capital (Gough, 1979; O'Connor, 1973; Mishra, 1985). At the same time, the 'old' debate about the future of 'welfare capitalism' has been overtaken by 'new' debates about the general question of the emergence of 'post-Fordism', 'workfare capitalism' and the hegemony of neo-liberalism.

The debate about post-Fordism and the decline of the KWS is essential to understanding the basis for the 'broad' origins and conditions of workfare. Properly situating contemporary workfare in Ontario and Ottawa-Carleton in a

historical and comparative perspective is paramount to understanding
continuities, as well as discontinuities, in related state and social practices
associated with the KWS and the SWS. There are differences in the 'state-
economy nexus' and their corresponding social structures across national and
sub-national regimes of accumulation which also qualify this process. Changing
regimes of citizenship, structures of representation, class forces, and state policies
and practices are all aspects of the determination of the theory and practice of
workfare within the broader social relations of lived experience.

The relationship between social structure, political struggle and economic change
articulated within certain strands of Marxist state and regulation theory[7]
provides a useful vantage point from which to view the 'workfare question'. An
important starting point is the question of the transition from Fordism to post-
Fordism and its relationship to the shift from welfare to workfare. The
regulation approach recognizes unevenness and difference throughout this
process. States of crisis or stability vary significantly across the dimensions of
time, space and scale, based on the interaction of local and global conditions and
their respective histories. One way of approaching how this process occurs is
through the analysis of Fordism and post-Fordism as 'models of development'.
Models of development contain a contingent matching between factors in the
mode of regulation, the accumulation regime, and the labour process.

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[7] Regulation theory, a perspective originating from French Marxist economists ('the rebel sons of
Althusser' in the words of Jane Jenson), which now claims adherents across national and paradigmatic
boundaries, provides a synthesis of the 'old' and the 'new'. This is not only so in terms of its theoretical
foundations, but also in the process of theorizing and empirically examining ongoing crisis and change.
Also important is the realist mode of inquiry shared by many regulation theorists. The insights of other
approaches to the question of regime change, such as 'flexible specialization' (Piore and Sabel, 1984) and
the 'social structures of accumulation' are integrated and debated. The dynamism of the theory is also
based on developments in a variety of different disciplines – such as economic geography, philosophy of
science, state theory, institutional economics, and the sociology of social movements – which have become
grist for the mill of the regulationist analysis of the crisis of Fordism and the question of post-Fordism.

'Fordism' and 'post-Fordism' are contentious concepts, and definitions used by
writers on the subject vary. Fordism is conventionally understood as the rise of
principles of mass production achieved through economies of scale and the
rising ratio of capital to labour. Fordism includes a broad set of principles and
institutions governing the sphere of production and economic regulation. Post-
Fordism is often understood as changing productions systems associated with
economies of scope and 'flexible', 'just-in-time' and 'lean' production techniques.
But such a typology is far too limited to be of practical use to the question of how
crisis develops or is forestalled within capitalism.

Post-Fordism implies both continuities and discontinuities with Fordism.[8] Post-
Fordism is based on previously existing tendencies while introducing new
elements that appear to 'displace' or 'resolve' the contradictions and crises of
Fordism in each of its dimensions. This is so "even if (post-Fordism) is also
associated with its own contradictions and crisis tendencies in turn" (Jessop,
1994: 257). There is thus something indeterminate about 'actual, existing' post-
Fordism, which leads to methodological scepticism regarding claims that a stable
new pattern of economic and social organization has emerged in a particular,
detailed way.

A model of development, such as Fordism, includes a number of elements or
components. These are: the labour process, or the aggregate of the concrete
social and technical relations of production; an accumulation regime that
balances production and consumption; the (social) mode of (economic)
regulation, "an ensemble of norms, institutions, organizational forms, social
networks and patterns of conduct which guide and govern an accumulation
regime"; and the mode of societalization, "a pattern of institutional integration

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[5] Jessop (1994:257): "Without significant discontinuity. it would not be *post*-Fordism; without significant
continuity. it would not be post-*Fordism*."

and social cohesion which complements the dominant accumulation regime and its social mode of economic regulation and thereby secures the conditions for its dominance within the wider society" (Jessop, 1994: 252). The social formation thus described is similarly based on a contingent matching of the above elements.

The balancing of a new or emergent labour process and industrial paradigm within a new regime of accumulation is what constitutes a mode of regulation. Because both micro- and macro- components must play a part if capitalist accumulation is to be viable, the matter of regulation is critical. While the matching of new industrial paradigms with flexible accumulation is most definitely a question of economic regulation, this regulation is achieved by social means. This includes institutions involved in the apportioning of the social product, institutional forms of social and political struggle in the workplace and the state, family and community, etc.

It should be clear that the requirements of social regulation cannot be attained solely by success in economic regulation. Conditions of 'social and political struggle' as a part of the determination of the mode of regulation are regrettably under-theorized within the reproduction schema for the social mode of economic regulation outlined by Jessop (1994; 1993; 1990). These conditions in Ontario in the late 1990s are explored and evaluated in Chapters 2 and 3, providing an important case study for the development of a more integrated theory of regulation and state restructuring. Briefly, we consider some of the basis for this approach in the existing literature of the Regulation school.

The answer to the question of how the social and economic reproduction of class power occurs with a specific historical milieu is provided by concept of the mode of regulation. The mode of regulation, a co-determinate interaction of the social

and economic spheres, is essential to balancing both production and social reproduction within capitalist models of development. It consists of the set of institutional norms, habits and behaviours of human agents within the schema of social and economic reproduction. Accounts of the mode of regulation recognize its eclecticism, and that in any particular mode of regulation, the market is only one among several processes at work in regulating or stabilizing the capitalist mode of production (Mjøset, 1985).

Regulation is not merely 'uneven' across history and space, but a socially and spatially differentiated process of both breaks and continuities over the course of long-run structural change. Explanations of regulation must be both comparative and historical. Differences in class structure and institutions across national, subnational, and regional regimes must be specified, and policy changes over time within distinct regimes must be explained in terms of forces both internal and external to them.

The relationship of workfare to the state form and the model of development can be analyzed in terms of its role within the general framework of the transition from Fordism to post-Fordism. Of particular interest to this investigation is the labour process(es) and mode(s) of regulation reflective of the workfare state. Changes in state policy and the labour process (labour markets and the organization of work) associated with this and related 'shifts' from welfare to workfare are the focus of the primary research to follow. An important element of hegemonic 'workfarist' regimes is the mode of societalization.

While in this research, the concept of the mode of regulation subsumes what in Jessop's 'jargon' is the 'mode of societalization', it is worth briefly considering Jessop's account. The mode of societalization is based on a match between both accumulation and regulation. The mode of societalization is a result of the

conditions under which a dominant accumulation regime and the attendant mode of regulation "in conjunction with various social routines that successfully cope with the social conflicts and perturbations originating in the dominance of that regime" (Jessop, 1994) are socially reproduced. The relations of ruling characteristic of the accumulation regime are concretized in the mode of societalization. The mode of societalization is most closely associated with the exercise of ideology and hegemony in particular spaces of regulation, which is critical in the process of legitimation of new citizenship regimes and in promoting 'social cohesion' for flexible accumulation. The social formation, based on the 'contingent co-presence' of causal factors in the particular categories, includes the development of class and household structure in particular places and times within these conditions. The social formation also subsumes political, cultural and ideological formations.

Whereas the dominant mode of societalization under Fordism – Americanism – can be identified, it is too early to identify any such post-Fordist mode of societalization. The social formation of post-Fordism, while based upon competition between different national and regional models, "remains as yet an unrealized possibility" (Jessop, 1994: 260). The record of neo-liberalism in the crisis-prone 1990s has deflated the state projects of Reaganism and Thatcherism (Peck, 1996; Jessop, 1995); thus the societalization effects within an unevenly-developed post-Fordism can at best be understood on a case-by-case basis. Ultimately, neo-liberalism tends to crisis; how this occurs, or is forestalled, is a matter of *ex post* conjunctural analysis. According to Peck (1996), Lipietz (1986), Mjøset (1985) and other regulation theorists, neo-liberalism is perhaps better viewed as an indicator of crisis rather than a coherent mode of regulation. Market forces cannot be presumed to automatically lead to new institutional fixes after Fordism and the Keynesian welfare state (Peck and Tickell, 1994).

Current changes in the mode of societalization are thus indefinite, without being associated with any particular stable new form within post-Fordism (Jessop, 1994). A dominant model providing legitimation and social cohesion has not made itself known, although 'workfarism' can be said to provide at least part of the present model. There may well be contradictions between the regulation of governance between the labour process and the mode of societalization. That is, a revitalized labour process that increases productivity and profits and the return of pre-KWS ideologies of 'workfarism' in the mode of societalization may actually prolong the present capitalist crisis.

The destabilization of the social compromise associated with national monopoly regulation was partly attributable to changes associated with the internationalization of post-war Atlantic Fordism. The emergence of its crisis at the end of the 1960s was related to important spatial transformations of the post-war period. Declining productivity growth coupled with a rise in the organic (technical) composition of capital caused a fall in the rate of profit, which meant less accumulation and less employment, which in turn provided the basis for the fiscal crisis of the welfare state (Lipietz, 1992). Apart from growth in international trade as a constitutive part of post-war international relations, the rise of the public sector in the national economy also increased the propensity of capital to internationalize. By the late 1970s, the macroeconomic framework had become highly unfavourable. The abandonment of a national Keynesian framework as the basis of monetary policy by the hegemonic social bloc, and the monetarist shock, represented an important initial response to the crisis of Fordism.

Growing external constraints added to the exhaust of the industrial paradigm to a crisis in 'national monopolistic regulation', particularly in the regulation of the wage-labour relation. Productivity gains – now much smaller – were no longer

coupled to wage levels, while the social wage became subject to progressive roll-backs. Thus the conditions for reproduction of the wage-labour nexus and of labour-power itself were severely weakened. The rise of a class of disenfranchised worker, non-core employees and contract labour, became "a burden upon population and enterprise as a whole" given their dependence on the welfare state, although something of a benefit to individual employers (Lipietz, 1992).

The breakdown of continuous, assured productivity growth through automatization and a top-down hierarchical industrial paradigm was also limited by the separation of conception from execution at the point of production. The limits to the gains achievable through Fordist intensive and extensive growth were reached in most of the Atlantic Fordist countries by the late 1960s and early 1970s. Employers began a search for new sources of productivity, having questioned and in some cases abandoned the old industrial paradigm. The 'technological revolution' in microelectronics and new management techniques that did away with certain Taylorist principles in some instances were captured in a way which led to upskilling of the workforce. Yet contradictions in the social organization of training within the framework of government, business and individual financing have often limited such outcomes in favour of the adoption of technologies on neo-Fordist lines (centralization of information, data warehousing, and increasing separation of the control of knowledge from the worker).

For Jessop (1996), the distinctiveness of Fordism "as a phase of capital accumulation" is found in the *social mode of economic regulation*. The social mode of economic regulation most typically associated with Fordism is undergoing transformation across all of its institutional forms related to production, inter-firm and international competition, industrial organization, industrial relations,

wage and price regulation, state intervention and social welfare. New institutional forms of the social mode of economic regulation are the products of a variety of strategies, including those based on crisis management and on moving beyond the crisis of Fordism (Jessop, 1994: 253-60). According to Jessop (1996), these and other institutional forms of post-Fordism *may* address a number of contradictions and crises of Fordism, forming part of a putative post-Fordist social mode of economic regulation.

Peck (1996) emphasizes that labor markets are socially regulated, not merely wage regulated. He identifies the local labor market as a particular 'conjunctural structure' of social regulation, shaped by three 'generative structures'. These include 'production imperatives' associated with job design and patterns of occupational demand; processes of social reproduction associated with labor market supply and primarily state-based forces that enable (or block) social regulation for these relatively autonomous processes. Local and supra-local state structures act to alternatively constrain and propel both production imperatives and social reproduction. Occasionally, state action can provide a sustainable match between these two other generative structures.[9]

Many causal processes are at work in these processes of social regulation. A given outcome and the successful, consistent reproduction of outcomes over time are irreducible to single factors, e.g. technological requirements or collective bargaining strategies of unions and management. As noted by Lawson (1989)

> The employer-worker relationship . . . may be identified as a
> transhistorical, pancultural feature of human society. But this
> observation, in itself, abstracts from the numerous variations in the
> nature of this relationship, across time and space, and it is certainly
> insufficient, for example, to any understanding or explanation of

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[9] Industrial and labour market structures implicitly (i.e. through the tax base) and explicitly (e.g. through direct state involvement) relate to state structures.

work practices and activities that exist at a specific stage of human
evolution in any particular region or place. (Lawson, 1989: 72; cited
in Peck, 1996).

The post-Fordist labour process, as the ensemble of the new social and technical
relations of production, reflects managerial strategies for 'change' seeking to
capitalize on the new flexibility. According to Jessop (1994: 258), these 'post-
Fordist' restructuring strategies address obstacles and challenges including:

- overcoming the "alienation and resistance of the mass worker";
- overcoming the "relative stagnation of Taylorism and mass production";
- increasing competitiveness in old and new industries;
- saturation of demand for mass-produced consumer durables[10] and increasing
  variability in consumer tastes;
- reducing the costs associated with non-Fordist service sectors (notably, in the
  public sector); and
- increasing productivity gains in primary industry, manufacturing and other
  economic sectors.

Unlike conditions within the social compromise of Fordism, incomes earned by
core workers are not generalized to non-core workers and the 'economically
inactive' (Jessop, 1994: 258). Because of the increasing role of competition in
product and labour markets, and the declining role of fiscal and other
redistributive levers of the state, pronounced income polarization is
characteristic of the post-Fordism regime of accumulation. This knowledge-
based 'new' economy is also characterized by the increasing importance of
'human capital'. As noted by Betcherman et. al. (1998),

> Knowledge generation, innovation, networking capabilities, the
> ability to invent new products, research and development – these
> are the intangible factors that increasingly determine economic
> success for individuals, for firms, and for communities, regions,
> and entire nations. Physical capital still matters, but invisible forms
> of capital, including human capital, matter just as much and
> probably more. (Betcherman, McMullen and Davidman, 1998: 1-2)

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[10] This point is contested by Williams (1994), as noted by Jessop (1994: 277, f.8).

Managerial imperatives in the re-organization of particular production processes
and external labour markets are motivated by considerations of new
productivity dynamics in the workplace and 'core' operations. The drive for
flexible accumulation, through the adoption of new technologies and the
flexibilization of labour markets is an essential strategy in the new production
imperatives for employers. Trends in occupational and industrial data reflect this
aspect in local labour markets and regional economic space. The importance of
knowledge and skills in the 'post-industrial', 'knowledge-based' economy has
also changed job content and job availability for many workers.[11]

Labour market flexibility has had a profound impact on the employment contract
of post-Fordism. The rise of the 'flexible firm' is conditioned by rapidly-changing
technologies and markets, the need to restore productivity growth and to lower
costs of production (Atkinson and Gregory, 1986). The reorganization of work is
based on a shrinking core labour force and a broader periphery of just-in-time
workers. Atkinson (1987) notes that 'management for flexibility' has three
elements: functional, numerical and financial:

- Functional flexibility is provided by 'core' workers, who are shifted rapidly
  frcm job to job within the organization, and represent a significant
  investment in human capital;
- Numerical flexibility is provided by 'periphery' workers, who are typically
  part-time or short-term contract workers not requiring firm-specific skills or
  training and without a significant investment in human capital; and
- Financial flexibility is provided by flexible payment systems, individual and
  enterprise-level contracts and self-employment for peripheral workers, and
  benefits including stock options, bonuses, and employee benefits for core
  workers.

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[11] These new considerations around `human capital` and the `knowledge-based economy` are particularly
significant in the evaluation of workfare as an employability strategy.

Storper and Scott (1990: 575) also identify three strategies for labour market flexibility in particular:

- individualization of the employment relation, minimizing the role of collective bargaining in areas such as wage setting;
- improving internal flexibility through multi-skilling and more fluid job definitions; and
- rapid quantitative adjustment to employment levels through the deployment of temporary and flexible part-time workers, based on fluctuating production needs.

Scott (1988) conceives of production in general within the new industrial spaces of agglomerated labour as a complex system, involving both industrialization and urban structure, and as "a coordinated system of internal hierarchies and external markets" (Scott, 1988; quoted in Peck, 1996: 121). The transition from Fordism to flexible accumulation requires an "enhanced flexibility in production systems" (Peck, 1996: 121; see also Scott and Cooke, 1988: 241-42). Greater market uncertainty, the fragmentation of mass consumer demand, vertical disintegration, numerical and functional flexibility, a deepening of the social division of labour, and "heightened interdependence in the production system as firms become deeply embedded in complex webs of interorganizational transactions" are some of the traits associated with flexible production regimes (Peck, 1996: 122). These regimes are based on geographical agglomerations of economic activity and interorganizational transactions, which establish local labour market norms in accordance with flexible capacity.

The success of 'flexible production' depends on high turnover rates, diminution of job security, regressive norms of work, low union densities, and the development of "a large, contingent labor pool of politically marginalized workers (such as immigrants, women, and agricultural laborers)" (Peck, 1996: 123). High flexibility is combined in these systems with entrenched segmentation and exclusion.

Increasing numerical flexibility in organizations is a priority of flexible human resource approaches in a changing external environment. Neo-liberal policies militate against any significant redistribution of human capital development investment. Labour market flexibility, in combination with marketization (privatization, higher user fees, etc.), has made training and the principle of 'lifelong learning' either irrelevant or unattainable for younger workers, older workers hit by downsizing, the non-EI-protected proportion of unemployed persons, and many other groups.

Betcherman *et. al.* (1998) conclude that the demand for labour has shifted toward the highly skilled; new participation patterns are 'altering the rhythms of learning and working'; and the changing employment contract and employer-employee relationships is shifting responsibility for training onto the individual. They also contend that there has been a substantial increase in the 'supply-side' of available training, with a large number of commercial and non-commercial training providers. The current environment is seen as one of opportunities that might be realized by labour market interests and the state, such as potential progress towards the establishment of a universal, inclusive 'learning environment'.

Differentiated access to training remains a problem and has yet to adequately address the 'vicious circle' of skills deficits, underinvestment, and declining employability on the part of many jobseekers, especially the young. Those who possess substantial human capital benefit from a 'virtuous circle' of strong skills, challenging job requirements, and access to additional human capital investment benefits. At the same time, this 'knowledge gap' may act to restrict actual and potential new labour market entrants, enabling the knowledge 'insiders' to realize the lion's share of investment and consumption. As the case of Ottawa-

Carleton shows, this gap may be even more pronounced in relatively prosperous localities.

Educational requirements are rising such that a high school education is now insufficient in meeting the employability requirements of a knowledge-based economy. Many potential workers lack post-secondary education and particular groups face additional challenges, such as basic literacy and language barriers, which must be met in order for secondary school completion and enrolment in further education and training to occur. At the same time, labour market polarization is leading to the growth of additional bad jobs, which in the context of increasing pressures on individual to improve their education, knowledge and skills is contributing to an underemployment gap (Livingstone, 1998).

In Ottawa-Carleton, it has been estimated that the vast majority (80 percent) of persons receiving training are paid employees (Ottawa-Carleton Training Board, 1998). This situation may reflect the decline of state-sponsored training than act, and more and more actual or potential workers finance their own training, out of their own pocket or bank loan. Paradoxically, the renewed emphasis on knowledge and skills has coincided with government cutbacks to publicly-funded education, the emergence of 'just-in-time' production and training principles, and a bifurcation of the workforce based on a precarious balance of both labour-saving and skills-enhancing approaches to techno-organizational change and productivity growth. Each of these changes have had the effect of downloading the responsibility for training and education onto the individual worker, while shifting the allocation of these resources away from sub- and under-employed workers towards core workers, both through occupational welfare and increased private market costs.

The impact of technological change on internal and external labour markets often reinforces the tendency towards the polarization of knowledge and skills. Industrial projections do not necessarily emphasize occupational correlates that are 'knowledge-based', even if there are expanding opportunities for high-skilled workers. For example, expansion of employment in high-technology industries in the 1980s[12] was estimated to generate 17 percent of new employment, but many of these new jobs were not highly-skilled (Mahon, 1994: 85).[13] In her research on world cities and globalization, Saskia Sassen notes the persistence of deskilled and peripheral employment in the "commanding heights" of the new economy, such as the office towers of Manhattan (Sassen, 1994). Regional studies in Ottawa indirectly echo this point, arguing that seven local jobs are created for each high-technology job (Ottawa-Carleton Training Board, 1998). Thus flexibility is increasingly characterized by a polarization of skills, even while average levels of 'human capital investment' have been rising (Betcherman *et. al.*, 1998).

Innovation may be essential for rising productivity and profits, but creates increasingly uneven labour market effects. Ongoing investment in human capital development and consumption of education and training resources is also uneven. Overall, the opportunities for higher skilled workers and in more knowledge-intensive work are increasing. In fact, both absolute and relative job growth in high-wage occupations is greater than the number of jobs being displaced in absolute terms in those industries with relatively constant levels of employment, but witnessing little growth.

Technological change embedded in the labour process has displaced manual labour and placed a premium on 'knowledge workers', a development which has

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[12] Data is for the U.S. between 1982 to 1995.

weakened labour market prospects for many, such as older workers and those with less education and training. While possessing greater literacy in new technologies, youth (as well as new labour market entrants more generally) have also had a difficult time in the 1990s. The implications of these developments in the labour market for new entrants, persons on its margins and those dependent on state income support are greater barriers to meaningful employment, with a better future for themselves and their families retreating ever further into the distance.

An important characteristic of regulation is its inclusion of not only hierarchies and markets, but a range of institutions 'between market and hierarchy' (Jessop, 1994). State strategies based on the extension of markets may well have necessary limits, not to mention increasing trade-offs in unequal employment opportunities, income inequality, disparate social outcomes, and broadening social unrest. Left to its own devices, early regulation theorists argued, the free market will dismantle the framework in which stabilization can occur, raising the spectre of structural crisis in the current model of capitalist development (Aglietta, 1979; Lipietz, 1986). The emphasis on competition by any means necessary has led to the simultaneous pursuit of two paths of competitiveness, a difference perhaps best captured in the dual meaning of 'competitive' in the labour market. On one side are 'competitive salary and benefits', or higher employment incomes for those who already earn upper bracket incomes; conversely, 'competitive wage costs' generally indicates lower incomes for those in the bottom employment income brackets.

For regulation theorists locating workfare in the context of post-Fordism and the Schumpeterian workfare state (SWS), the debate has perhaps been too centred

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[15] Mahon (1994b) also cites the research of a number of important sources on the "polarization scenario", in what are mainly U.S.-based studies.

around the delineation of principally economic historical tendencies. The requirements for capitalist reproduction and regulation are set out primarily in terms of the requirements of capital. Capitalism is seen to experience ruptures, but (unlike in Schumpeter's own account in *Capitalism, Socialism and Democracy*) is also viewed as having a dynamic capacity to reconstruct a social and economic order that provides both macroeconomic and political stability. These shifts in the mode of regulation are interior to capitalism. At the same time, state coercion of labour may also precipitate challenges to capitalist domination, leading to additional crises and ruptures. The description of new elements within 'actual, existing capitalisms' such as the emergence of workfare introduce new contradictions requiring further interventions (Peck, 1996).

The return of workfare evokes the old philosophy of poverty relief and the tragedies of the past, such as the 'work test' in debtors' prisons in Victorian England and the Depression-era work camps in Canada. For many on the 'undeserving' side of the 'deserving' and 'undeserving' poverty dichotomy, life was nasty, brutish and short. (Yet even for the 'deserving', such as orphans and widows, forms of social support were haphazard.) With the experience of the Depression and early experiences in successful industrial organizing, movements of unemployed workers gained strength, industrial unions were organized and, as the power of these groups grew, a 'social compromise', brokered by the state, was institutionalized. This international movement of the organized working class provided the social base for better protections for workers and their families. The lessons of the 1930s were for a time learned, and the notion that the unemployed were responsible for their own predicament had become seen as antiquated by the public and policy-makers alike.

The 'historic compromise' of the post-war period broke down the old dichotomy between 'deserving' and 'undeserving', as subsistence and other social and

economic rights were, in both popular nation-building mythology and in the sphere of legal-juridical rights, institutionalized and universalized (Korpi, 1983; Esping-Andersen, 1990). Welfare rights became entitlements as part of the extension of 'social citizenship' to previously marginalized groups. The social safety net was also in alignment with particular labour market norms associated with the KWS (Shields, 1994). While this process certainly was better developed in some regions and nations within the Atlantic Fordist political economies, it left its mark on all, including Canada.

We are now living through the days of the decline of social reform and of this particular form of social contract (Teeple, 1995). 'Workfarism' involves the return of the 'deserving' and 'undeserving' dichotomy; dividing the population is divided against itself in terms of the organization and mobilization of class, fractional and other interests; a period in which previously accepted rights of citizenship are now openly contested (Teeple, 1995; Shields, 1994). Increased 'freedom' for some has meant increased 'unfreedom' for many. One result of the crisis embedded in the failure of hegemony of the KWS has been increasing coercion of the population at the margins into a wageless 'tertiary' labour market.[14]

A notable contention has been made by some about the significance of workfare as part of a new strategy involving the rise of governance at the local level, facilitated by the rise of community and non-profit organizations that comprise a 'Third Sector' (Mayer, 1994). Many of the various models for new forms of social

[14] The term 'tertiary labour market' is used here with reference to labour market segmentation. Dual labour market theory is based on the observation of the emergence of a 'primary' labour market associated with good jobs with union wages, benefits and other protection for the dominant social groups (i.e. prime-age white males), and a 'secondary' labour market associated with part-time, contingent work for others. The 'tertiary labour market' is characterized by the absence of basic income and representation rights, and by mandatory participation. For example, workfare and prison labour are perhaps better viewed as a further segmentation of capitalist labour markets than as part of the 'secondary labour market'. The use of

service delivery involve significant changes at the local level, such as re-orientation towards the needs of local labour markets. New forms of work organization and new employment strategies are emerging, and the workplace is an ongoing site of struggle in which practices such as workfare are rooted. The changes associated with the implementation of workfare involve both the forced socialization of the labour-power of some citizens for the benefit of others and the advent of brokers, temporary agencies, and multinational corporate consultancies as administrators of the 'human resources' department of the workfare state.

The segmentation and (partial) integration of the labour process in social services, coupled with privatization and contracting-out, have played an important role in reducing pre-existing social variable capital. Thus, these processes can also be regarded as both a state and Third Sector counterpart to the related strategy of capital geared towards restoring, maintaining and increasing productivity growth through labour-displacing techno-organizational change. On the service delivery end, state elites have wagered that community-based social services and the voluntary sector can fill the gap, although these too face fiscal crises of their own as a result of the contraction of the welfare state and changes in the funding environment (Leduc-Browne, 1996).

Workfare strategies involve changing social assistance recipients from social *cost* to social *capital*. The parallels to state conscription of prison labour and the work camps of old are historical antecedents to this new process of moral regulation of marginal populations (Sayer and Walker, 1992). Rather than an inclusive social citizenship predicated on the realization of this latent human capital, workfare creates a third-class economic citizenship for 'workfare workers' in a newly

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'tertiary' is also a play on the fact that a lot of actual workfare placements resemble traditional voluntary work in the 'Third Sector'.

segmented 'tertiary' labour market. Workfare can thus be read as a low-wage competitive strategy.[15]

As in any conjuncture, both what is old and what is new matter. In Vol. 1 of *Capital*, Karl Marx makes an important observation on the composition of the industrial reserve army of labour. One section of the 'reserve army' is consigned to a condition of "extremely irregular employment":

> Hence it offers capital an inexhaustible reservoir of disposable labour-power. Its conditions of life sink below the average normal level of the working class . it is characterized by a maximum of working time and a minimum of wages.

Over the course of 20th century capitalism, the industrial reserve army has been segmented into various components, as part of a continuum of precariously-waged and unwaged work. Income maintenance and now workfare have become part of the employment relationship for many of these workers. While many are in part-time, part-year employment, work is seasonal and/or temporary in nature, with low pay and no occupational welfare.

Like prison labour and 'boot camps', workfare labour can be viewed as part of a 'tertiary' labour market. Having similar characteristics to segments of the secondary labour market of low-wage and menial work, workfare labour is best understood as producing social surplus value in a particular way within a 'tertiary labour market'. In Marx's original account of the theory of surplus value, part of the working day is spent producing the material requirements for subsistence, in the form of wages, while another part of the working day is spent producing the material requirements of capital, in the form of profit. Within tertiary labour markets, no actual wage is paid save for a 'social wage' outside of

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[15] Many conservative economists share this view, emphasizing the greater return to tax dollars resulting from investments in high-end education and training.

the circuit of capital. Social carrying costs are produced through the contribution of the labour of workers in the tertiary labour market in return for this social wage, while any productive contribution above and beyond this level accrues to public, private and Third Sector employers.

The lack of formal employment rights on the part of workfare workers is combined with a labour process perhaps best characterized as 'permanently contingent'. As part of the labour process, workfare typically involves work in the voluntary sector, which introduces further complications and contradictions. Both supply- and demand-side factors in the labour market have generated fundamental barriers to full labour force participation on the part of social assistance recipients, particularly among those who already face multiple barriers to participation. The primary state strategy which workfare is a constitutive element of – the promotion of 'employability' – also fails to address and indeed worsens problems in increasing polarization of knowledge, human capital, and hours worked, and instability of employment contract.

There is thus both something 'old' and 'new' in workfare. The process of tertiarization of the labour force is a new development, one with its own historical antecedents, but also increasingly shaped by supply-side labour market dynamics and competitive austerity. Workfare as part of a suitably-flexibilized labour force is also congruent with emerging patterns of labour market structures such as contingent work. Increasing bifurcation in employment pathways also has a bearing on the broader social relations which frame workfare. Changes in state forms associated with the subordination of social welfare to economic policy goals have attempted to balance the new conditions into a reproducible social order, one that resolves or displaces aspects of the crisis of Fordism, while addressing some of the contradictions of an emergent post-Fordism. The old discourse of 'self-reliance' and 'individual responsibility',

as well as the moral panic concerning social assistance, indicate continuities in the state project of workfare, meaning that old contradictions are being reintroduced with the new.

Variants of the Workfare State in Theory and Practice

There are three comparative historical contexts to consider in the periodization of contemporary workfare: the pre-welfare state era of capitalism, the KWS era, and the SWS era. The history of present-day workfare needs to be situated in all three contexts; nevertheless, the emphasis here is on the latter. Within this latter context, a number of distinctions need to be made regarding variants of the workfare state. The variants that have been established in the literature are the neo-statist, neo-corporatist, and neo-liberal SWS. Here we systematically outline the common characteristics of the Schumpeterian *workfare* state (SWS), focusing on the dominant neo-liberal model and some of its potential internal contradictions. This section also briefly describes how this profile fits with developments in Canada and especially Ontario.

SWS regulation is achieved by co-determinate changes in the wage relation, the enterprise system, the money form, the consumption sphere and the state form of post-Fordism. In meeting the imperatives of global accumulation and resolving at least some of the contradictions of the KWS, the SWS can assume a variety of state forms, based on the historical contexts specific to actual, existing regimes (Jessop, 1994). These include the neo-liberal form, the neo-statist form and the neo-corporatist form. Aspects of each of these three forms of the SWS can co-exist within and across geographical and socio-political scales. All of these forms have a highly productivist character, as the state is involved in supply-side intervention under the imperatives of economic globalization for capital. While based on different kinds of state intervention, the post-Fordist state form is

characterized by "strengthening national competitiveness and subordinating social to economic policy" (Peck and Tickell, 1994: 293).

Active and flexible labour market policies are part of the institutional forms of all variants of the SWS. The articulation of state strategies and the mobilization and participation in collective endeavours that facilitate solutions to the question of social regulation varies by each particular variant. All variants of workfare are characterized by a neo-statist principle of being mandated and initiated by the state, a neo-corporatist principle of social cohesion through 'private interest government', and (especially) a neo-liberal principle of market Darwinism with an enforcer state.

The neo-corporatist state form is characterized by the "*ex ante* concertation of the economic decisions and activities of private economic agents oriented to their own economic interests" (Jessop, 1994: 267). The shift in emphasis on labour-management cooperation is away from the area of wage and price controls, full employment, and solutions to stagflation and towards the promotion of supply-side measures aiming at increasing high value-added innovation and competitiveness. This neo-corporatism is of broader scope, based not exclusively on the labour-capital relationship, but also on the interests of policy communities such as those involved in education, health, science and training activities that have a bearing on innovation and competitiveness. Neo-corporatism also emphasizes state support for the self-regulation of industry and recognition of the "increasing heterogeneity of the labour force and labour markets" (Jessop, 1994: 267). Unlike the 'disengagement' of neo-liberalism or the autonomous initiatives of neo-statism, state involvement in neo-corporatism is based on voluntarism, and is geared toward supporting the outcomes of 'private interest government'.

Some state and management strategies emphasize 'lifelong learning' and the promotion of a 'learning environment' both organizationally and culturally, which could be described as neo-corporatist. The concept of the 'learning organization' is difficult to realize under circumstances of neo-liberal dominance when the increasing external mobility of workers leads to the loss of institutional memory, even given the massive increase in computer processing power. Thus, the project of a 'learning environment' in society supported by state, employers and the non-profit sector is necessary within post-Fordism. At the same time, flexibility has also led to the development of a complex private and non-profit training sector to fill at least part of the gap left by the shrinking welfare state.

One emerging form of a more voluntaristic workfare state is the 'social economy', which can be found in Quebec and some western European countries. The social economy model, arguably a form of neo-corporatism, has been hailed by many social democrats as a reasonable solution to the problems of social (if not economic) exclusion. Social cohesion is also dependent on the alignment of social movement communities and particular state structures. A number of different elements come into play that can be seen as aspects of either the neo-corporatist or neo-statist variants of the local SWS. For example, solutions to poverty and unemployment within the 'social economy' model typically involve mobilizing all 'stakeholders' in the local economy, including local business, community agencies, equity-seeking groups, and the unemployed themselves.

> The emphasis is on the need for all stakeholders to work together at
> the local level to develop an integrated and coordinated approach
> to labour market entry given the economic realities within each
> region.[16]

The neo-statist form of flexibility emphasizes the important of state support for sunrise sectors of the economy, active labour market policies, and the like, but

also decommodified social welfare based upon extending adequate income maintenance and social inclusion. Neo-statist strategies attempt to negotiate the 'external constraint' from above while facilitating more community and Third Sector solutions to poverty and social exclusion from below. State capacities must therefore be managed to create a common framework for all actors to exercise rights of citizenship and state representation. Neo-statist principles are also part of most actual, existing workfare regimes – as the existence of the wage form necessitates some form of welfare state, particularly as the precariousness of the employment contract and bifurcation of the labour market become more pronounced.

The extent and impact of the "decoupling of welfare policies from the circuit of capital" in different national Fordisms has varied according to the degree to which liberal welfare regimes maintained a strong separation between economic and social policy-making. The extent of this aspect of the crisis also differed for national states, depending on their place in the world system. Small, open economies (such as Canada) that modified their social and economic policy based upon the impact of trading relations on full employment fared better than others in weathering this aspect of the economic crisis (Jessop, 1996: 256-257; Mishra, 1985).

Even under the lowered political horizons of post-Fordism, the continuing existence of the wage form (even in its more flexible variant) as a dominant social relation of capitalism necessitates some form of welfare state that can assure the reproduction of the wage form and wage labour (Mishra, 1985). A restructured welfare state, whether contracting (as under the neo-liberal model), or expanding (as under the neo-corporatist and neo-statist models), must not "seriously undermine structural competitiveness" or block the transition to post-Fordism

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² For more. see *Appui pour un economie sociale et solidaire*, p.1 in the Canadian context.

(Jessop, 1994: 276). Social policy continues to play an important role in the SWS, but "this role will be linked to the economic issues confronting the state in open economies rather than the relatively closed, quasi-autocentric economies of Atlantic Fordism" (Jessop, 1994: 276).

The neo-liberal state form involves a strong state, aggressively promoting international competitiveness, marketization, privatization, and recommodification, while moving in emphasis from redistribution to support for production. The fiscal regime is characterized by the use of tax expenditures aiming at stimulating private investment. Deficit reduction and income tax reduction play a greater role in neo-liberal regimes than program spending or debt reduction. Trade agreements and international negotiations on property rights are pursued, not so much on the basis of securing new investment, but in terms of the general imperatives of multinational corporate capital. State support for labour market flexibility in neo-liberal regimes is also characterized by changes to industrial relations and employment standards legislation that weaken the collective rights of workers and their unions. Examples in Ontario include Bill 26, The Omnibus Savings and Restructuring Act (1995), Bill 136, The Public Sector Restructuring Act (1997), and Bill 22, The Prevention of Unionization with Respect to Community Placements Act (1998).

Structural reforms in Canada and Ontario are quite different than suggested by either the neo-statist or neo-corporatist forms of the SWS. The transfer of even successful, cost-saving programs from the public sector to the private sector is one of the most significant developments of the SWS period under examination in this research. The role of the private sector in welfare reform, as part of an "increasingly blurred interface between privatizing training policy and marketizing welfare policy" warrants special attention as part of this broader offensive within the advanced capitalist workfare states (Peck, 1996: 186). Peck

(1996) notes the role of Private Industry Councils (PICs) in the U.S. and Training and Enterprise Councils (TECs) in the U.K. as an example of this process.

The private sector is also taking on new roles in the design and development of welfare reform in Ontario, a case in point being the contract between the Ministry of Community and Social Services (MCSS) and the global corporate giant, Andersen Consulting. Many functions of the workfare-welfare state are segmented by means of public-private partnerships, through the use of private organizations with sanctioning powers (rent setting, evictions, disqualification, approval of paperwork, etc.) who receive their compensation from the state through their improvements to the 'bottom line'. In Ontario, the role of bipartite structures on training program design and delivery is also in evidence. The training and social services environment is characterized by the involvement of a wide range of small private and Third Sector training programs, along with major corporations such as Andersen Consulting in the restructuring of a residual income maintenance system.

The community sector's role in social provision is moving to the foreground as the role of governments recedes. The engineering of lowered expectations of the workers within regimes of lean production and state restructuring has facilitated the opening up of a significant role for voluntary work (Shields and Evans, 1998). With 'social downloading', the role of the Third Sector is significantly transformed as part of a private and/or quasi-public workfare state (Leduc-Browne, 1996). Funding for the Third Sector, however, has generally been drawn from both public and private sources. Continued 'fiscal downloading' to the voluntary sector raises the question of whether or not the sector can be successfully integrated into a new post-Fordist funding and service delivery framework (Social Planning Council of Ottawa-Carleton, 1998). It is unclear at

this point whether the rise of the voluntary sector may mitigate or exacerbate the crisis of the 'Fordist' or 'neo-Fordist' welfare state.

The voluntary sector is not new, as has been noted by theorists of the capitalist welfare state for some time. For example, the voluntary provision of services by women and the organization of 'mutualist' pension systems predate the rise of public service provision in the U.S. (Skocpol, 1992). The long history and continuing existence of organizations such as food banks and the Victorian Order of Nurses demonstrates that voluntary non-governmental (or 'community-based') organizations (and their programs) have continued to play a complementary role to the public welfare state. But the voluntary sector on its own cannot provide a sustainable solution to problems of poverty and unemployment.

The neo-corporatist 'workfarist' project can also be problematized further. The analysis of workfare in relation to the development of the 'social economy' that is set out in this research suggests that the voluntary sector, while a terrain of struggle, cannot be relied on to solve the employment question. Moreover, one impact of the social cutbacks that have accompanied relative economic prosperity in the late 1990s is that the voluntary sector can be found to play an increasingly important role in 'regulating the poor', returning to its pre-KWS role era inasmuch as a part of the SWS.

Workfare policies of this nature have been pursued by governments of different political hues. While it is easy to caricature the emergence of workfare in Ontario's 'common sense revolution' government of Mike Harris (1995-), workfare-type policies are also being pursued by centrist social democratic governments, such as the New Labour government of Tony Blair in the U.K. Anthony Giddens is a leading intellectual in support of a new direction away

from the old-style of state-centred social democracy and towards a freer market and a new communitarianism, or 'Third Way'. Associated with this 'Third Way' are the familiar concepts of 'social dependency', 'mutual obligation', and 'fiscal realities'; and the newer ones of 'community development', 'capacity building', 'participation', and 'social inclusion'.

It is telling that political parties in power, including nominally social democratic ones, also engage in punitive rhetoric on welfare issues. Many have been active participants in recent attacks on the poor, promulgating neo-liberal welfare reform and introducing mandatory work-for-welfare programs. Punitive rhetoric about social assistance recipients was articulated by the Rae government as well as the Harris Conservatives. Public education and health are welfare state entitlements that retain the highest degree of support for public spending from the working and middle classes. Public opinion polls on work-for-welfare and support for different areas of government spending reflect these priorities. This in itself bolsters support for the state with regards to rollbacks in social policy, let alone open 'positive' support for sanctions and rollbacks for welfare recipients.

Forms of social policy and the attendant societal norms that have resulted from the 'fiscal crisis' and the 'necessary' cuts to social welfare that are associated with the emergent neo-liberal SWS – of which 'workfare' is but one element – are contradictory and crisis-prone.[17] Also to be considered are the contradictions in the geographies of state power associated with 'localization', a point elaborated on further below.

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[17] James O'Connor (1973) noted that the fiscal crisis of the post-war "warfare-welfare state" in the U.S. developed as a result of the increased requirement to socialize the costs of monopoly capital. The dramatic expansion of the welfare state is seen as due to the need to control the effects of social fallout. At the same time, he also notes that "social programs are used by capitalist governments to legitimize themselves as acting in the best interests of the non-capitalist class, but these programs are delivered in such a fashion that they facilitate the accumulation of capital for the dominant class".

'Hollowing Out' and the Structuring of the Local Workfare State

The general crisis of the KWS, manifest across all of the national systems in which it was found in the post-war period, provided capital interests with an opportunity to "reimpose the unity of economic and social policy" in the name of productivity, profit, and economic growth. For Jessop (1994), this is the fundamental ingredient in the political composition of post-Fordism. The search for new forms of state is leading to a "structural transformation and fundamental strategic reorientation of the capitalist state" (Jessop, 1994: 263). The strategic reorientation is towards a model that Jessop (1994) names the 'hollowed-out Schumpeterian workfare state'.

The Schumpeterian workfare state (or SWS) is 'hollowed out'; that is, national state structures decline in importance in driving or determining the regulatory schema of capitalist reproduction. While the national state retains political sovereignty, its territorial and monetary sovereignty is compromised by the internationalization and regionalization of production and commerce (Swyngedouw, 1992). This 'hollowed out' state is 'Schumpeterian', not 'Keynesian'; that is, in its orientation towards supporting the promotion of continuous innovation in product, process, organization and market development, through supply-side policies pursued in an internationally competitive environment. This perspective is grounded in the theory of 'creative destruction' of Joseph Schumpeter, in which innovation cycles revolutionize production, replacing old products and processes with newer ones. Nationally-based macroeconomic demand management and the fiscal policy associated with the theory of John Maynard Keynes is irrevocably altered with the shift in emphasis to supply-side regulation.

The SWS is a 'workfare state', not a 'welfare state'; that is, welfare policy is subordinated to labour market flexibility. This 'workfare state' is also associated with an increasingly open and globalized economy, which increases the significance of wages and transfer income as private and social production costs, not as a source of consumer demand, in an increasingly trade-oriented environment. The workfare state thus involves a shift in social policy away from welfare entitlements, which are pre-empted in favour of more productivist imperatives. Work-for-welfare is also about converting social cost to social capital as part of the new economic imperatives for social policy. To the extent that SWS structures are successful in doing so, we can begin to speak of a post-Fordist mode of regulation.[18]

The shift associated with this 'hollowing out' of the national state is threefold, displacing state capacities downward, upward and outward (Jessop, 1993). While the composition of this 'hollowing out' process may vary according to the actual existing national regime in question, they are characterized by different 'structural constraints' and a 'changing balance of forces' (Jessop, 1993). In this thesis, the emphasis is on the constraints and balance of forces at the local level associated with emerging local workfare states.

'Hollowing-out' is expressed through two general spatial processes: localization and globalization. The national state retains its importance as an 'institutional site and discursive framework' for projects of social and political change and as a bearer of sovereignty rights in the international relations system (Jenson, 1994). The tendency, however, is towards the loss of national state autonomy. This

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[18] The case of Quebec's 'social economy' indicates that neo-corporatist workfare strategies have emerged within Canadian federalism. Building social capital, i.e. promoting 'volunteerism' and the third sector, is seen to increase 'community capacity' to meet educational, health, and social needs. The participation of trade unions, feminist organizations and other sections of the popular sector in the development and promotion of low-income 'social economy' employment as a way of building the social economy is also notable.

tendency implies new institutional forms of state and societal regulation in a context defined by "both the need for supranational coordination and the space for sub-national resurgence" (Jessop, 1993: 10). The 'hollowing-out' of the national state is seen to provide the 'best possible political shell' for post-Fordism. As noted by Jessop (1994: 264):

> Some state capacities are transferred to a growing number of pan-regional, plurinational, or international bodies with a widening range of powers; others are devolved to restructured local or regional levels of governance in the national state; and yet others are being usurped by emerging horizontal networks of power – local and regional – which by-pass central states and connect localities or regions in several nations.

New technologies, through the reduction of transaction costs associated with the global integration of production and exchange with near-instantaneous global communications, have made economic globalization possible through the relaxation of geographical boundaries in the location of productive and informational processes. New technologies have also played an important role in the development of economic localization, through the creation of a 'learning environment' within urban/regional production complexes.

Upward, Outward and Global

The process of globalization involves a shift in state capacities to supranational regulatory institutions and mechanisms. These regulatory institutions govern international finance, trade, and the organization of global production, including a range of state, para-state, and non-state structures and organizations. National state structures participate to varying degrees in these supranational regulatory structures, but all are affected in their capacities by the impact of the latter upon the global circuit of capital.

> By integrating countries in a global economy, the specific political
> interests of the state in each nation become directly linked with the
> fate of economic competition for firms that are either national or
> located in the country's territory. (Carnoy, 1993)

Supra-national structures act to regulate both national sovereignty and sub-national state capacities. Often, this involves the willful surrender of state capacities to international adjudicating bodies, particularly in the area of international trade. This is the primary means through which an 'external constraint' is both consolidated and developed. Examples of international institutions of this nature include the various agreements surrounding the World Trade Organization (WTO) and side agreement such as the General Agreement on Trade in Services (GATS), and regional trade agreements such as the North American Free Trade Agreement (NAFTA) and the Free Trade Area of the Americas (FTAA).

Similarly, the internationalization of social movements has occurred largely in response to these organizations of capital and constitutive nation-states, a phenomenon that has become particularly pronounced in the latter 1990s. Also of note is the role of bodies such as the United Nations, and in particular, its human rights tribunals. The relative power of these two forms of international state structures – those regulating the circuits of capital, and those regulating putative structures of resistance – are discussed in greater depth further below.

Downward and Local

The 'downward' part of the 'hollowing out' process, as seen in the devolution of state capacities from national to subnational levels of government, is the substantive focus concerning the application of regulation theory to 'locating workfare'. Devolution and 'downloading' within the state structures and

institutions of Canadian federalism need to be considered here. A number of important tensions associated with neo-liberal state restructuring have emerged between provincial and local state structures, with the former circumscribing the latter's room to maneuvre.

There is a strong risk that increased responsibilities may overwhelm local state capacities. The restructuring of the Canadian welfare state in the 1990s has placed new fiscal burdens and social obligations on the local level that the latter may be unable to absorb (Teeple, 1995; Jenson and Phillips, 1996) (For more on this problem, see the discussion on municipal downloading in Ontario further below.) Others have maintained that the 'hollowed out' state also involves a *resurgence* of local states, in response to both internationalization and national economic retreat (Mayer, 1994; Jessop, 1993: 23).

Local state activity in Fordist economic development activities and regional industrial policy – in labour markets – was "mainly oriented to the (re-)location of industry in the interests of spreading full employment and reducing inflationary pressures due to localized overheating" (Jessop, 1993: 23). The infrastructure and the social, economic, and environmental regulation of the urban space also stressed the importance of the local state throughout the Fordist period. The local Fordist state established the physical and service infrastructure for mass production and collective consumption. Local state functions in land use planning, industrial development, housing, social services, education, and public health were also an important part of the regulation framework of the Fordist city. These functions remain a part of the local state 'after Fordism'.

With the development of the crisis of Fordism under conditions of internationalization, some local states began to engage in regulatory competition with one another, offering subsidies and tax expenditures to keep and attract

employers. In the wake of the Fordist crisis, the local state has taken on a renewed role in promoting local growth and competitiveness. The local state is concerned as well with keeping and attracting core workers in a variety of high-demand occupations. Jessop (1993) observes that the new emphasis of decision-makers on "regional labour market policies, education and training, technology transfer, local venture capital, innovation centres, science parks, and so on" forms the basis for the resurgence of the local state in an era of national crisis and retrenchment (Jessop, 1993: 24).

In Jessop's theory, the 'hollowed out' Schumpeterian workfare state may – or may not – be dominated by a neo-liberal form. This may even be a requirement if a 'post-Fordist' state is to secure the conditions for social regulation and reproduction. While state structures at the local and supra-local scales act contain reform-based struggle against any dominant model of economic development, not all state strategies at the local or regional levels in the 1990s are conducted according to the principles of competitive austerity. In some sense, paying for a civilized society may still be regarded as important in a high value-added economy and in the interests of global capital that may decide to locate in a particular region or locality.

Some discourses of local economic development pursued by local states, as expressed in their strategies promoting their area for globally-mobile industrial capital, combine cost-based factors with quality-based factors including access to a skilled workforce, social infrastructure such as health and education, and related 'quality of life' aspects. The neo-corporatist discourse of local economic development in Ottawa, for example, highlights the importance of post-secondary institutions, school boards, and hospitals. This is particularly so in relation to the supply-side of the labour market, associated with skills

development, training and education programs on the part of the regional, provincial and national state structures.

As a way of addressing the new conditions, new forms of state representation and state strategy at the local level have also emerged, and old actors have taken on new roles. The downward shift of 'hollowing out' increases the role of the local state as a source for experimentation and local economic regeneration (Mayer, 1994; Jessop, 1993). Local partnership strategies for economic development emphasize more than mere technical requirements, demanding the engagement of state strategy and the deployment of state resources at the local level in a variety of policy spheres, highlighting training and labour force development. A variety of actors is necessarily involved in addition to the local state, including Chambers of Commerce, venture capitalists and entrepreneurs, professional and industrial organizations, trade unions, school boards, research centres, training providers, community service organizations and organizations for equity-seeking groups.

> This trend is reinforced by the inability of the central state to pursue sufficiently differentiated and sensitive programs to tackle the specific problems of particular localities. It therefore devolves such tasks to local states and provides the latter with general support and resources. (Jessop, 1993: 24)

The process of localization can thus also be understood as a response to the 'state failures' of national Fordist accumulation regimes and their mode(s) of regulation. There is an increase in the responsibility for both accumulation functions (value creation and reproduction) and legitimation functions (through more effective local response to the effects of the crisis of Fordism) at the local level. State support for intensive accumulation is made possible through the relocation of supply-side measures to the level corresponding to that of urban and regional labour markets and sites of structural competitiveness (Jessop, 1994:

265-66). Theories of 'flexible specialization' have celebrated this 'resurgence of the local' as a means of achieving strong regional economies based on regional networks of localities of entrepreneurial states that support each other's 'technical edge'. Conversely, some regulation theorists and others argue that localization processes have increased social and economic polarization within and between localities (Jessop, 1993: 24).

Global-local relations constitute power asymmetrically, with the constraints on the local and not the global side of the relationship. Some view the destabilization of the nation-state as having precipitated an ongoing spatial, global and temporal *disorder* (Swyngedouw, 1992; Peck and Tickell, 1994); one which requires the re-establishment of supra-local, supra-national state regulation which is not predicated on a neo-liberal 'rule of the jungle'.

> Neo-liberalism is the politics of the crisis, a kind of 'jungle law'
> which tends to break out - along with financial instability,
> accelerated labour exploitation and the self-destructive dynamic of
> the unfettered market - when economic growth slows and when
> social compromises collapse. It is this process which regulation
> theorists are describing when they talk of the breakdown of the
> 'golden age' of Fordist mass production and with it the social
> compromise enshrined in the Keynesian welfare state.

The lack of meaningful regulation at the global level, whether through the absence of supra-national state structures or through the collective struggle of local forces across localities, makes political struggle against organized capital necessary. Signs of struggle are hard to discern, at least in most post-industrial societies. Global forces tend to leave similar imprints across localities:

> What is striking about local strategies at the present is just how
> *un*local they are. Workforce training, the erosion of social
> protection, the construction of science and business parks, the
> vigorous marketing of place and ritual incantation of the virtues of
> international competitiveness and public-private partnerships seem

to now have become almost universal features of so-called local
strategies. (Peck and Tickell, 1994)

Peck and Tickell (1994) attribute the 'striking commonality' of regional/urban
economic development strategies to the constraining global (extra-local) context
of local action. In some critical accounts, this *global* logic of *local* development
leads to a 'race to the bottom' scenario in which localities competitively underbid
each other in order to attract and maintain local capital formation, in an
environment characterized by the increasing mobility of capital and skilled
workers. For exponents of the neo-liberal model, this condition is an impetus to
deregulation, competition, innovation and further accumulation. For analysts of
social regulation, such as Peck and Tickell (1994), this condition is the 'political
essence of the problem' of a socially sustainable regime of accumulation.

The spatial articulation of state policies established above the local level has,
ironically, been responsible for much of the renewed importance of the local
within the 'hollowing-out' process. Jessop theorizes a shift towards
decentralization and 'societal guidance strategies', away from 'centralized
imperative coordination' (Jessop, 1993: 10). Jessop also acknowledges that the
shift in state capacities may well be 'conjunctural products' of 'short term crisis
management or displacement strategies'. Hence, contradictory forces at different
subnational scales are possible during a period of transition.

An example is the hollowing out of the Canadian federal state, in which fiscal
burdens and responsibilities are shifted downward, from the federal government
to the provinces, and from the provinces to the municipalities. The case of
welfare costs in Ontario that were 'downloaded' onto municipalities is
instructive. Early in its first mandate, the Harris government changed the

existing 80/20 split[19] for provincial and municipal shares for funding general welfare assistance (later reinvented as Ontario Works) to a 50/50 split. On January 14, 1997, the government announced that downloading would require municipalities to take on 50 percent of GWA costs, 50 percent of Family Benefits (previously 100 percent provincially funded) in the social assistance system. In additional, municipalities had to assume responsibility for 50 percent of child care and long term care costs, and 100 percent of the costs of social housing, public health and land ambulances (CUPE, 1997).

With municipal downloading, local property taxes now play a greater role in social assistance financing. This has implications for the will to implement workfare at the local level, given theoretically greater revenue-raising power and local implementation strategies for the local state. According to Scarborough MPP Steve Gilchrist, "The municipalities must have an incentive to make workfare work"[20]. As noted by CUPE, "There will be regional variations across the province. In the past, municipalities have defaulted on welfare payments when they could not meet the needs of their citizens. The municipalities will take the rap for dismantling social programs"[21]. Top-down provincial-municipal restructuring accelerated in the 1990s. In its 1998-99 Business Plan, MCSS noted the following about its "service realignment":

> The ministry approved 47 Consolidated Municipal Services
> Managers, including 10 District Social Services Administration
> Boards in northern Ontario, for the delivery of Ontario Works,
> child care and social housing programs. These consolidations
> reduce the number of municipalities and service boards responsible
> for managing the delivery of social assistance from 196 to 47.

[19] Importantly, these provincial-municipal splits were manifested in the budgeting and planning of local Ontario Works business plans.

[20] Quoted in CUPE *Workfare Files*, February 28, 1997.

[21] *ibid.*

In Ontario in the late 1990s, the 'hollowing-out' of social and labour market policy spheres within the national state is more easily characterized as a period of 'centralized imperative coordination' in the restructuring of provincial-local state arrangements, suggesting that devolution or 'municipal downloading' is most definitely a top-down process. The breakdown of fiscal federalism in Canada, the cuts in transfer payments to the provinces (Ontario in particular) and the downloading of programs onto municipalities are symptomatic of ongoing crisis. Hollowing-out processes leading to the displacement of regulatory dilemmas and capacities downward, between the first the federal-provincial and then between provincial-local state structures (downward), and all levels of the state devolving programs outward into the market and the community sectors (outward), are examined in greater detail in the next Chapter.

In the case of workfare-welfare policies, there is a contradiction between the existing centralized political control at the provincial level and the lack of decentralized governance in alignment with sustainable 'hollowing out' processes of state restructuring (see, *inter alia*, Peck, 1996; Torjman, 1996; SPC-Toronto, 1996; ONeSTEP, 1995). This contradiction between 'centralized imperative coordination' and the downloading of fiscal and policy implementation responsibilities is articulated through a combination of 'short term crisis management' and competing structural imperatives.

Strategic-Relational Aspects of Workfare: Implementation and Resistance

In order to be of use to practices of resistance, theory must be informed by practical activity, be reflexive, and have a transformative purpose. In this way, theory becomes a creative and emancipatory force, based in a sense of history and purpose. In the case of workfare, a critical theory must also address itself to the resolution of the pre-existing crises in which workfare is situated.

The regulation approach of Jessop and other capital-centred theorists is in itself, of course, inadequate to the tasks of a social movement, which is predicated on more than simply the analysis of past actions. While it can make a certain contribution to the analysis of existing dynamics, it cannot bring about effective collective action and the articulation of counterhegemonic movements engaged in wars of 'position' and 'maneuvre'. The capacity to change the oppressive social relations behind the visible manifestations of exploitation and domination is certainly made possible through their identification and 'naming'. While necessary, this is an insufficient condition for the realization of practices of resistance. This lack of correspondence between 'naming' and 'acting' (the postmodern malaise) has contributed to the undermining of popular-democratic rights of citizenship that have been fought for and won in the past.

Both the way in which events arise due to factors such as globalization, state debt and fiscal capacities (structure) and the way in which workers and citizens identify and interpret reality and act to organize socially and politically in light of events (agency) are always both operational. Political and social struggle from below are made possible based on the actors' views of the historical script as it exists for them, with a recognition of the possibility of different, presumably more desirable, paths to the future. Jenson notes:

> The analytic challenge is to stop veering from one to the other, by
> assuming history is open-ended even if real effects of
> institutionalized practices and structural constraints exist. History
> is a set of arrangements experienced by each actor as the
> constraints within which action occurs. Yet if actors are endowed
> with the ability to act strategically, then their actions must be seen
> as creative of the different histories which they live. Thus focusing
> on the politics of action is as important as structural analysis;
> neither can be abandoned. (Jenson, 1993: 149)

Jenson (1993) integrates the politics of identity, ideas and interests into a
regulationist approach. Ideas and political practices vary across time and space.
A variety of actors and the decline of old identities based on the politics of
production are important to this analysis. Jenson (1993) reminds us that politics
"is and has always been about identity", and that the range of possible identities
is always constrained. This approach to the question of space and time in the
process of the formation of collective identities understands the 'production-
based' identities associated with Fordist regulation as a particular historical
moment which emerges out of a range of possible identities and bases for
consciousness (Jenson, 1993).

> The mere existence of a 'politics of identity' now may not serve as
> sufficient reason either to abandon social theoretical categories
> which acknowledge the continued influence of accumulation and
> production or to announce the end of the 'politics of production'.
> Nevertheless, production-based politics and production-based
> identities no longer mobilize as much, as easily, or as convincingly
> as they once did. (Jenson, 1993: 148)

Such identities are reconstructed by actors in a variety of different contexts and
perspectives within the changing post-industrial employment contract and the
changing world of work more generally. In capitalist social relations of
production, there are both unemployed and working members of the 'working
class' who have common, as well as particular, interests within their collective
ranks. The relationship of the 'working class' as a whole to processes of social
and economic inclusion and exclusion must be analyzed dynamically.

Ideas matter, providing the "mental frameworks – the languages, the concepts,
the categories, imagery of thought, and the systems of representation – which
different classes and social groups deploy in order to make sense of, define,

figure out and render intelligible the way society works"[22]. Instead of limiting the role of ideas to the power of ideology and hegemony as an explicandum of the acceptability of the 'social relations of domination' by the dominated, neo-Gramscian analysis emphasizes "the power relations which lie behind ideas as they become a material force" (Jenson, 1993: 145). The shift from thinking about 'reproduction' to 'regulation' is also a shift from examining the structures and conditions enabling old social relations to remain coherent, to a renewed sensitivity to the "processes by which new ideas arise" based on their historical and concrete existence in space and time (Jenson, 1993).

The principles behind the crisis of old forms of collective identity and the consensus that defined the dominant representation of interest in terms of the 'politics of production', through to the lack of consensus that exists in the present, need to be established. The interaction of structure and agency/strategy in periods of crisis and change is particularly important in the constitution of 'actors' who play different 'roles' in different 'styles' within a historical 'script':

> History is a set of arrangements experienced by each actor as the constraints within which action occurs. Yet if actors are endowed with the ability to act strategically, then their actions must be seen as creative of the different histories which they live. (Jenson, 1993: 149)

Changes in both industrial and family structure have also eroded pre-existing norms and identities. Citizenship rights associated with the welfare state were developed on social insurance principles, in conjunction with the dominant model of social cohesion, while an employment model based on full-time male employment, within a 'virtuous circle' of mass industrial production and mass

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[22] Hall (1983: 59); cited in Jenson (1993: 145).

[23] See also Mahon (1994) on the 'People's Home' of the Swedish welfare state.

family consumption, established the 'citizen wage'.[23] The weakening of the
dominant wage relation of Fordist capitalism can be seen in the rise of part-time
and contingent employment, widening income gaps and stagnant (or declining)
living standards.

One argument in support of the continuing existence of a neo-liberal hegemony
is that many workers in late capitalist societies seem quite content to accept
reform of the fiscal, industrial relations, labour market, and social welfare
regimes in alignment with the imperatives of global capital. Powerful
hegemonic state and non-state apparatuses are critical in maintaining this
condition of tacit acceptance. Historical factors include the emergence of
increasingly differentiated and complex post-industrial class structures, as seen
in the structuring of post-industrial labour markets, which act to weaken the
possibilities for counterhegemonic struggle and compromise.[24]

For movements of resistance, counterhegemony and social transformation, the
changing role of the state becomes especially important when examining new
state projects that challenge previous ones involving the extension of the rights
of the working class in the national-popular state; that is, the expansion of social
and economic citizenship rights. These new state projects are operational in the
redefinition of citizenship, set against the 'old' historical context for previously
existing social and economic rights-claims.

The analysis of strategy and the relational positioning of agents in this research,
and subsequent conclusions on strategic alliances 'against' workfare and/or 'for'
fair employment, are premised on the following. Workfare is in no sense a
necessary state project amenable to simple theoretical prediction. The conditions

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[23] See also Mahon (1993) on the 'People's Home' of the Swedish welfare state.

[24] In many interpretations. the material conditions for a new social compromise. at least in post-industrial societies knowledge-based economies. are seen to range from weak to non-existent (Castells. 1996).

for its rise and fall can only be established through tracing related developments in the labour process and the regime of accumulation, after they have demonstrated their coherence as an ensemble of regularizable institutions, norms and practices in a new mode of regulation.

For a variety of reasons explored further in later chapters, social movements and organized sections of the working class face a difficult but necessary challenge of realizing counterhegemonic projects outside the traditional state arena. With the weakening of social democracy, related in part to the changing relationship between state power and class power, sections of the organized working class can be observed to be moving away from traditional electoral and legal strategies.[25] These strategies challenge conventional notions of the institutional materiality of the state[26], and are also played out in the changing relationship between 'public', 'private' and 'Third' sectors associated with the restructuring of social welfare and labour market policy.

Conclusion

The post-Fordist social mode of economic regulation involves new forms of the social wage and new forms of state intervention. Post-Fordism means more than an "interrelated series of changes in the labour process and the overall dynamic of macroeconomic growth" – it also requires a series of changes in state structures. These changes are based on a shift from Keynesian welfare state

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[25] For example. this is seen in the renewed emphasis of some trade unions on 'internal' organizing strategies aimed at increasing union representation. participation. democracy and internal strength. This trend is also evident in 'external' strategies of institution-building within an increasingly active civil society: in the development of labour-community alliances. international solidarity networks. and funding of public- and mutual-interest projects.

(KWS) structures appropriate to Fordist growth to Schumpeterian workfare state (SWS) structures appropriate to post-Fordist growth. Changes in labour market and social welfare policy, changing structures of representation, and in the state's role in the reproduction/regulation of work and poverty all reflect the drive for flexible accumulation characteristic of the SWS.

The re-spatialization of state structures that provide this new social mode of economic regulation is principally characterized by the 'hollowing-out' of the national state, "with state capacities, new and old alike, being reorganized on supranational, national, regional or local, and translocal levels" (Jessop, 1994: 252). The spatialization effects of state restructuring induced by hollowing-out also lead to differences in condition across localities and regions within and outside particular national states. The changes in federal eligibility for Employment Insurance (EI), and the different levels of applicants and claimants by region, which is varied across the regions and metropolitan areas in Canada, is an example (Canadian Labour Congress, 1998). This issue is taken up further below.

Can workfare be made to function as part of a sustainable and successful state strategy at the local level? This question requires unpacking, and many factors must be taken into account in attempting to answer it. Within the political settings associated with economic globalization for capital, workfare must meet certain political-economic requirements. Workfare is part of the broader policy framework of a neo-liberal 'post-Fordist' state strategy. Its 'success' or 'failure' is itself related to this broader framework.

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[25] The concept of the institutional materiality of the state is from Poulantzas (1969). who was quite critical of theories of the state that "reduce the state apparatus to state power". This institutional materiality of the state has the relations of production and the social division of labour as its basis. This theory contrasts with the instrumentalist theory of the state as the direct bearer of the interests of specific class-based elites (Miliband. 1970). As noted below. both the social and spatial divisions of labour. and both particular and general relations of production matter in establishing the institutional materiality of the state.

Welfare and workfare in practice must be understood through the observed interaction of developments in the legislation, local state policy implementation, structures of state representation and in the broader political discourse. The dominance of the 'employability' paradigm in social assistance and labour market policy as practiced by provincial and local bureaucracies cannot and does not reflect the simple, 'common sense' view of interventions espoused by governing provincial political elites. Both the 'employability' and the 'workfarist' paradigms together form part of the 'super-structure' of hegemonic domination. This domination is hegemonic precisely because of the mix of consent and coercion in the re-invention of the '*welfare* recipient' as the '*workfare* participant'.

Workfare is a short-term strategic response to the crisis of welfare, one that is fraught with contradictions and prone to both short- and long-term failure. At present, workfare in the narrow sense of 'mandatory work for welfare' emerges on the margins of other major transformations in the social relations of production and reproduction/ regulation contained within many different national states. Workfare remains, however, an important qualitative shift in an environment that has placed social policy under greater scrutiny across all of the 'worlds of welfare capitalism'.

In the case of the Ontario government's workfare program, which is but one small part of the establishment of a broader regime subordinating social policy to labour market imperatives, it is too early to make any definitive conclusions about its sustainability. The small number of participants in workfare to date is also a factor behind the reluctance to overstate the importance of mandatory work-for-welfare for the actual, existing population on welfare. Crises in housing, health, childcare, and real employment challenges far outweigh

workfare in the struggle against day-to-day poverty. Finally, the introduction of workfare in Ontario has occurred while the economy and labour market conditions have in general improved. Workfare does mark a qualitative shift in social policy, however, which will have a more pronounced impact over time.

Conjunctural class and labour market dynamics intersect in framing the political and economic support base for workfare. In Canada and in Ontario in the 1990s, workers are increasingly divided in terms of the distribution of benefits of long-term growth, while overall labour market conditions are strong. Local research on Ottawa-Carleton confirms this picture (Social Planning Council of Ottawa-Carleton, 1999). Employment income is by far the largest source of overall individual and family income, despite its slight decline over the 1980s and 1990s. This is due to factors such as the aging of the population and a fluctuating balance in the division of the social product between wages/salaries and savings/investments. It is also due to much more flexible labour markets, and a weakening of the stability of the employment contract.

Where labour markets are in a stage of expansion and welfare recipients are able to re-enter the workforce, the punitive impact of workfare and neo-liberal social policy reform, while significant, is confined to a relatively small population. Workers are generally able to find employment within a shorter time period[27] and the unemployed may have better access to training and employability programs and services. When labour markets contract, social investments in this area are reduced even as demand increases for these services. More workers are unemployed, for longer spells of time. Where there are barriers to paid employment across the working-age population as a whole, unemployed workers seek income maintenance. An increasing proportion of these unemployed workers receive welfare, typically at below half of the poverty line

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[27] In labour market terminology, this is also referred to as 'unemployment spell'.

without a paid wage, and others come to rely on a mix of social and market incomes, either during or between, intermittent employment spells. Because social assistance is dependent on a maximum level of savings and assets, many persons without social insurance coverage live on their own reserve income.

Does workfare displace paid work and otherwise worsen the conditions of work within the technical and social division of labour? This question cannot yet be answered in the case of Ottawa-Carleton, as the program has been implemented in a context of economic recovery and labour market expansion. Workfare has the potential to do this, dependent on labour market conditions and the characteristics of workers on the 'supply-side'. When productivity growth is high and macroeconomic conditions balanced, labour market demand increases and weakens the lure of workfare to employers. Social assistance recipients tend to be less employable, often facing many barriers to employment which are generally independent of the labour market (although worker injuries should be considered to be at least partly labour market participation-related). In periods of recession and labour market contraction, unemployed workers who end up on social assistance have either held employment or have been unable to secure a job due to lowered employer demand.

Both theoretical and empirical questions have been raised against the claim that work-for-welfare programs (as distinct from welfare-to-work programs) constitute a sustainable public policy. If workfare is to be considered as part of a prospective model of development, it should also be regarded in terms of its basis in crisis and associated responses to this crisis. Workfare should be examined not only from the standpoint of the requirements of a post-Fordist model. While exploring how workfare might play a stabilizing role in the resolution of the crisis of Fordism is potentially useful, equal time must be given to the opposing argument that workfare will exacerbate the pre-existing crisis, or

contribute to the development of new crises and contradictions. This requires an investigation of workfare as a destabilizing force in either or both the spheres of economic and social regulation. Should the evidence for this be compelling, the consideration of workfare is necessarily incomplete if the conditions for opposition, resistance, and the creation of space for alternative policies are not assessed.

Chapter Three

The Origins and Evolution of Workfare and Ontario Works

Introduction

This chapter locates the institutional contradictions of an emerging local workfare state in Ottawa-Carleton in the late 1990s in the context of the general shift from welfare to workfare. Welfare reform under the Mike Harris government in Ontario, while representing a clear ideological shift ('workfarism'), was embedded in a longer-term process of state restructuring in Canada and internationally. In the following two chapters, the Canadian context as well as original empirical research on workfare at the local level is examined in the context of these broader 'state shifts'.

This chapter traces the evolution of workfare and Ontario Works in historical and comparative perspective. Legislative changes in the 1990s are examined, with a focus on changes following the election of the Harris government in 1995. In addition to its relationship to the historical Canadian welfare state, a brief survey of workfare-welfare regimes in other jurisdictions is necessary in order to situate the Ontario model in its proper context. Both similarities and differences exist in the emerging form of the workfare state at a variety of geopolitical scales: within the Anglo-American and European political economies, between Ontario and other Canadian provinces, and Ottawa-Carleton in relation to other Ontario municipalities. Provincial level data on program implementation is described and analyzed in this chapter, demonstrating both widely varying local circumstances and the nature of 'centralized imperative coordination' in social welfare policy.

Key principles of program design in Ontario Works are the same as for many welfare-workfare models in other jurisdictions. Like most welfare-workfare models, Ontario Works contains a mix of different program components and 'service pathways' for clients similar to those in other jurisdictions where workfare has been legislated by national, provincial and state-level governments. Based upon historical and comparative contexts, the particular approach of the Harris Conservative government can be described and evaluated as a contradictory and crisis-prone program saved only by the favourable labour market conditions that have coincided with its implementation to date.

The particular form of workfare that has been implemented in Ontario localities is a set of experimental practices which have increased hardship for many while living up to few of the stated electoral promises of the provincial government. It has also failed to meet the conditions as a successful policy even within the 'full employability' paradigm. Ontario Works, and other related social policy reforms in the 1990s, have actually instituted further obstacles for many recipients seeking work, by impeding the ability of individuals and families to secure sufficient food, clothing and shelter. The absolute poverty barrier faced by many threatens the physical and mental health of these would-be workers, with a consequent direct impact on 'employability', a problematic term in that it overlooks that a certain level of unemployment and subemployment is necessary in order to 'grease the wheels' of capitalism. A well-known example of this is low inflation policies that condition worker expectations in order to keep the ratio of wages income to capital income low.

The shift from 'full employment' to 'full employability' within the dominant policy paradigms associated with the decline of the KWS and rise of the SWS present some basic contradictions in practice. If macroeconomic policy leads to a level of non-accelerating inflation rate of unemployment, full employment is no

longer possible. Full employability is a means of strengthening the reserve army of labour in order to reduce the overall social carrying costs of the surplus population, and as a disciplinary whip keeping certain groups of employed workers and social assistance recipients alike 'in line'.

On the labour market side, there are a number of potential problems with workfare. Employment subsidies received for workfare placements may induce take-up, but actual paid positions that may have been created in the place of workfare are neglected because of the availability of subsidy. In Quebec, evaluation of the Programme d'Aide a l'Intégration en Emploie (PAIE) program found that 50 percent of participating employers would have created paid positions even without the subsidy. Job displacement, in which employers substitute workfare workers for regular paid workers, leading to a "zero net employment gain" (Clark, 1995: 24), is often a side effect of workfare programs. As noted by Christopher Clark, "(i)n jobs that require little training or specific skills, the savings would be enhanced because of the smaller investment required in hiring a new worker" (Clark, 1995: 24).

Access to training and education for those most marginalized has been hit by funding cuts in a number of critical areas. In spite of this, programs such as workfare often are wrapped in the hope for a better future. Yet without significant redistribution through social investment in resources for day care, education, training etc. towards social assistance recipients to improve their employability, little prospect exists for meaningful reform increasing employment. The *realpolitik* of the policy discourse about 'barriers' and 'disincentives' to labour market participation is predicated on coercion into increasingly marginal forms of employment. This is often the case with 'workfare on the cheap', such as practiced in Ontario in the 1990s.

The approach used to demonstrate how workfare has emerged as a contradictory, crisis-ridden state project is based on the observed interaction of legislation, local implementation, structures of state representation, and broad political discourses. The story of workfare and Ontario Works outlines the dilemmas of a simplistic 'common sense' approach to labour market integration, opening of terrain for resistance.

The Institutional Contradictions of the Case for Workfare

> "(Self-sufficiency) is supposed to be good for recipients. Their self-esteem apparently grows as they experience the joy of buying tuna with their own earnings." (Torjman, 1996: 13)

Workfare acts as a disincentive to social assistance, by raising the prospect of unpaid work as a condition of receiving welfare benefits. The tightening of eligibility for social assistance achieved through measures such as reducing maximum allowable assets, age-based restrictions, 'obligations'[1], mandated activities for dependent children and adults in the benefit unit, and through the introduction of new screening technologies such as call centres. The net effect of this deterrence is to increase the amount of paperwork for determination of social assistance eligibility, and to reduce the proportion of successful applications.

The conditions for the termination of welfare benefits are a factor in how workfare reduces the cost of maintaining the welfare state, as seen in many jurisdictions in the 1990s. This is one of the few (but not insignificant) ways in which workfare has proven itself to be a successful state strategy to reduce 'dependence' on social assistance, i.e. reducing caseloads. At the same time, the

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[1] Evans (1993: 57) includes four dimensions relating to the structure of obligation in workfare programs: who is required to participate, what activities are required, how is compliance monitored, and what sanctions result from non-compliance.

administrative and social costs of increased monitoring and policing and associated staffing costs (hiring and training) for local welfare offices offset this. As noted by Evans (1993), "the monitoring and sanctioning component of any workfare program entails costs which must be offset by benefits to people who would otherwise not participate, and savings from the deterrence or detection of welfare abuse" (Evans, 1993: 62).

There are also contradictions inherent to workfare as a labour exploitation strategy. Without adequate regulatory protections, workfare could undermine the health of local labour markets. Lower costs for employers are not necessarily achieved through taking on new workfare workers, although the threat of replacement and redundancy doubtless has a strong conditioning role in keeping regular workers in line. Factors relating to individual worker productivity, such as the learning curve, the amount of time required to train on the job, limited existing skills, social and cultural barriers and physical health may also play a role on the supply-side. Conscripted and 'voluntary' labour generally reduces the economic risks of taking on workfare workers, as these workers receive no return from the employer's use of their labour-power.

On the other hand, underemployment[2] may also occur where work is mismatched to the qualifications and/or real training needs of the participants. As noted by Andy Mitchell of the Metropolitan Toronto Community Social Planning Council, it is hard to imagine shovelling snow, clearing brush or other traditional 'relief work' as leading to a job. Unpaid work activities that have been promoted by the government include "perfectly worthwhile things to do" such as clearing brush, tree planting, or garbage clean-up in parks, although not very many valuable or marketable skills will be developed for most people

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[2] 'Underemployment' is used in the sense of Livingstone (1998), who considers this situation as one in which a particular job makes use of limited on-the-job skills on the part of workers.

through the performance of these tasks. Mandatory participation in these activities may also impede or block "genuine efforts to find employment". There is thus a contradiction between ends (getting or keeping people off welfare) and means in the new provincial welfare system. As Sherri Torjman (1999:1) puts it,

> Government programs typically operate on the basis of various rules whose purpose is to restrict eligibility and thereby reduce the number of potential beneficiaries. The irony is that the rules themselves can end up trapping people in these programs or, conversely, excluding them when eligibility actually would promote their self-reliance.

As shown more extensively further below, workfare is also completely insufficient to the challenge of human capital development in the 21st century. Some of the contradictory aspects of the program as an employment strategy in this regard are:

- mismatches of placements to positions as a results of the introduction of mandatory volunteer labour at levels in excess of previous patterns of volunteerism among welfare recipients;

- 'creaming' of the welfare population in access to additional financial and social/employment supports, in order to boost performance statistics (see Yalnizyan and Wolfe, 1989)

- lack of financial support for day care and other necessary social supports with increasing requirements on parents with children to participate in mandated activities; and

- increasing ineligibility for social assistance creating additional barriers to employment on the part of the excluded population;

Mitchell (1996) identifies five arguments made by advocates of workfare, examining the logical consequences of pro-workfare arguments, their possible contradictions, and research evidence against the following propositions:

1. Workfare will improve the work ethic and teach good work habits.

2. Workfare will provide people with valuable new skills, which in turn will help them get jobs.

3. Workfare will lower welfare costs by improving employability and earnings, lowering welfare payments, uncovering fraud such as unreported earnings and deterring welfare applications in the first place.

4. Workfare establishes a 'reciprocal obligation', in making a contribution to the community in exchange for welfare benefits instead of 'sitting at home and doing nothing'.

5. Workfare will allow valuable work to be performed in the community that otherwise wouldn't be done.

Many of these arguments possess a 'seductive appeal', Mitchell notes, but often have consequences that are in conflict with each other. For example, if a person is doing 'valuable work' to use his or her skills for the best interests of the community, then workfare cannot be a training program attempting to address the skills deficit of that person. According to Mitchell, "You can't have it both ways, (but) advocates of workfare will gladly use these two arguments in the same breath". Successive cabinet ministers responsible for Ontario Works (David Tsubouchi, Janet Ecker and John Baird) have all made these contradictory claims.

Since 1995, the provincial government has used the term 'workfare' to connote a mandatory program when describing its approach to welfare reform, and this has been an important feature of its electoral message in the last two electoral campaigns. Contradictions are rampant in this policy discourse, especially at the point of intersection of pro-workfare rhetoric and the realities of program administration. Images of the 'lazy welfare bum' are used to prop up the dominant public policy paradigm and ideological state apparatus in support of workfare and workfarism. This occurs in both popular and intellectual arenas.

For example, income security programs have often been understood in neoclassical labour market theory as cultural contaminants, creating a preference for leisure over work, introducing 'moral hazard' and having a "corrosive effect on individual initiative" (Mitchell, 1996).

Workfare is the final admission that the government is not responsible for full employment at a decent wage for people who desperately want it. Workfare indicates a lack of state strategies to address structural issues that cause poverty and unemployment. All available research, including that from the C.D. Howe Institute, accepts that unemployment is the single largest factor in determining the size of welfare caseloads. The emphasis on the 'work ethic' cannot address the deeper problem of which welfare is a result - the lack of appropriate employment opportunities and sufficient labour market incomes for the unemployed and subemployed, which is a result of the increasing flexibilization of the labour market. There are also significant skills deficits (e.g. high school incompletion) on the part of some of the long-term and special needs caseload population.

Given that welfare beneficiaries in Ontario number in the hundreds of thousands, there will always be welfare cheats and people who fit the "stereotype" in a complex and bureaucratic system. As put by Mitchell (1996), "you don't frame public policy around these few exceptional cases". The basis for this kind of public policy making, while less abrasive in some respects, was found in the preceding NDP government, and its eventual use of the language of 'tough love', 'weeding out welfare cheats', etc. Use of the system slowly started to be seen as abuse of the system, even by a nominally social democratic government. This also was an attempt to shore up electoral support for the ailing government, given the public bias against welfare spending and electoral imperatives.

When considered as a training program, Ontario Works should be assessed in terms of the various approaches in public policy to training. The first is the 'human capital' approach, which is based on improving the income-earning skills potential of unemployed workers, providing better jobs and wages for people on social assistance and greater economic stability over the long term. Ontario Works is in another category of approach, which Mitchell (1996) terms "fast labour market entry". This approach is predicated on getting SARs back into the labour market "as quickly and cheaply as possible".

The distribution of benefits varies depending on the structuring of welfare-to-work policies. In the 'human capital' approach, the individual participant benefits more than the rest of society, which is a net payer, given the social cost over time. Basic skills development and rapid job entry, when labour market and social constraints do not block these, generally exchange low-wage work for welfare without significantly augmenting long-term independence and a better standard of living for welfare recipients. The public is a beneficiary in these programs as the cost of welfare is lowered because of shorter (re-)entry to work, and program costs decrease.

Workfare as social policy assumes that people need to be forced to accept work or training. The mandatory nature of workfare notwithstanding, politicians, workfare employers and other workfare advocates are engaged in a contradictory discourse with respect to this argument. "Workfare advocates are always at great pains to (demonstrate that) they believe that people want to work . . . making the mandatory aspect of workfare problematic" (Mitchell, 1996).

Arguments and public policies that promote the application of existing skills on a work-for-welfare placement contradict those that are in favour of developing

skills. Social assistance recipients often already have skills and work experience and are looking for employment. There are people who do need basic skills upgrading, but most SARs do not benefit from the available education and training options with Ontario Works. General training funding was cut in order to finance Ontario Works, which affects all groups of welfare recipients. All existing training programs for SARs are being folded into Ontario Works, although the only part that still remotely resembles a training program is the Employment Supports stream, which offers basic skills, such as literacy and numeracy upgrading and job search assistance. The need to fund the community participation and brokered employment components of Ontario Works crowds out the funding for employment supports.

In order to be successful, workfare programs must actually succeed in either increasing the level of employment or in increasing the stock of social capital, and reducing the cost of community and social services. Ontario Works and the CP program try to do both, with mixed results. Workfare advocates argue that welfare recipients should "give back to their communities" by performing valuable, needed work in caring for children and the elderly, cleaning streets and buildings, and canvassing for charitable organizations. The anti-workfare position maintains that if work is indeed valuable, then the community should pay for that work, as that is how the value of the work of others in the community is recognized.

Workfare in Ontario in Comparative Perspective

Both the last government and the present New Labour one have not explicitly endorsed the 'workfare' concept. That is, they don't use the word. But in practice, the schemes they have introduced are little different than the model we are all familiar with from the New York case. Going back as far as 1979, both governments introduced make-work schemes, some of which became compulsory for the

young unemployed, to take this group off the figures. This was
indeed work-for-dole, but was seen as less of a threat to existing
jobs and wages than the more recent initiatives.[3]

There is an international learning curve going on right now about
what strategies work the best. We're all learning from each other.[4]

International data for the G-7 countries shows a lagged effect of the crisis of the
KWS on social spending, as seen in the relative composition of state expenditure
to total expenditure. While social expenditures grew by 2.6 percent (the G-7
average) in the early 1980s due to the recession, this rate of growth was slower
than both the 1975-1980 period (at 4.2 percent), and the period up to 1975 (at 6.5
percent). Social spending stabilized in the mid-1980s, but according to
Armstrong, Glyn and Harrison (1991: 310-11), "the decline of two percentage
points in the unemployment rate helped, but much more significant was the
tendency for the real value of benefits to be curtailed".

Social welfare policy and workfare programs in particular in Ontario bear a
strong degree of resemblance to the regimes being implemented by governments
of various stripes. In the 1980s and 1990s, many different governments
introduced workfare programs as part of a broad process of state and social
policy restructuring internationally. Both the program design and experience in
Ontario can reasonably be expected to share similarities with other places.

Work-for-Welfare in the U.S.

1995 was a very significant year in the political economy of social welfare policy
in North America. The introduction of a block-grant system in the United States

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[3] Notes from communications with BABC activist from Brighton, U.K., August 1998.
[4] Community and Social Services Minister Janet Ecker, 1996 Speech to Ontario Community
Social Workers (?).

removed the requirement that state governments would have to seek, and
receive a waiver from Congress. Wisconsin received 227 such waivers in order
to implement its welfare-workfare reforms (Thompson, 1996). According to
Governor Tommy Thompson, "the block-grant system means we will be able to
implement the most ambitious change in the welfare system that this country has
ever seen" (Thompson, 1996: 21).

Workfarist programs and policies go back to the 1970s and 1980s, in the U.S. as in
the case of Canada. In 1981, the Reagan administration approved the Omnibus
and Budget Reconciliation Act, which stipulated that "all able-bodied recipients
register for job training and employment, except mothers with children under six
years old" (Ontario Network of Employment Skills Training Projects, 1996: 15).
In 1991, the State of Michigan terminated its Home Relief Program, causing
82,000 people to lose their benefits. While a few found work, most were
unsuccessful in this regard. Social costs were also displaced upward and
downward, in terms of both increased federal disability benefits and Social
Security, as well as increased costs to municipalities, counties and communities
in emergency shelters and food banks. Real barriers to employment, such as low
educational attainment and poor health, continued to exist. Local data showed
that only 50 percent were high school graduates, and that 70 percent had chronic
illnesses (Ontario Network of Employment Skills Training Projects, 1996;
Purnick, 1995).

Two programs which have been developed in the advent of block funding by the
U.S. federal government include the W-2 program found in the State of
Wisconsin and the Work Experience Program (WEP) workers in New York City.
Both the Wisconsin and NYC models have a relationship with workfare policies
pursued in Ontario. Both models have been pursued by Republican regimes that
share many affinities with the Harris government in Ontario. Wisconsin and

NYC have both experimented with different workfare models over the past 15-20 years. The W-2 model is one that has been studied and discussed intensively by policy-makers and commentators in the U.K. and Australia. Conversely, the NYC model, perhaps because it represents one of the most regressive workfare models, has been less subject to mainstream international interest.

The NYC model is perhaps a sign of things to come in urban centres such as Toronto. NYC mayor Rudy Giuliani, a social and fiscal conservative, launched one of the most devastating workfare programs in North America. The Giuliani model demonstrates the threat of a 'successful' workfare program which slashes welfare and other social costs, while undermining labour rights including "the most basic tenets of unionism: equal pay for equal work, a safe working environment, and the right to organize" (Fuentes, 1996).

The New York City workfare experience under Mayor Giuliani is perhaps the most notorious of all existing workfare programs. The Work Experience Program (WEP) enrolled more individuals in municipal cleaning and clerical work than were ever administered under Wisconsin's W-2 program (DeParle, 1998). Following the 1995 expansion of workfare in NYC, the welfare rolls have fallen by 37 percent in general, and by over 50 percent in the case of Home Relief clients.

The NYC model has the reputation of being one of the more punitive workfare models in North America, as well as the largest. In 1997, 69 percent of the Home Relief caseload in the workfare program were sanctioned off the rolls for not meeting their requirements. Reasons in some instances included infractions as minor as missing one hour's work at a municipal workfare placement (DeParle, 1998). Most of these sanctioned recipients re-apply for welfare in the next month or two, a phenomenon referred to as 'churning'.

The NYC experience proved somewhat different than what had occurred in the past. In Westchester County, the "Pride in Work" program initiated in 1988 to reduce welfare rolls had managed to reduce its Home Relief caseload by over 15,000, for a savings of $50 million over the 1989-1994 period. 60 percent of these did not reapply for relief over the course of the period, although it is unknown what became of most of them. Only 2,500 a year participated in the workfare program, keeping costs low. Single parents were excluded due to the prohibitive costs of child care. On the other hand, the work performed by welfare recipients in the case of NYC suggests that the workfare program is about the conversion to social cost to social capital. One of Giuliani's former aides, Gerald Schwartz, estimated the value of workfare labour – cleaning streets and parks, doing municipal paperwork, etc. – at $500 million a year (DeParle, 1998).

Ontario Works bears a strong resemblance to the Wisconsin Works (W-2) program. Both systems are "rapid labour market (re) entry", oriented to the shortest route to work. In November 1999, Premier Mike Harris met with Wisconsin Governor Tommy Thompson, in a media stunt geared towards promoting the 'success' of W-2 in Wisconsin and the 'positive' message of welfare reform in Ontario. This philosophy was succinctly expressed in a 1996 article by the Republican governor of the state of Wisconsin:

> W-2 is based on the philosophy that for those who can work, only work should pay. We assume that everybody is able to work – or at least is able to contribute to society through some work activity within their abilities. The only way to escape welfare or to escape poverty is to work. There is no other way. (Thompson, 1996)

Wisconsin Works (W-2) ended AFDC and transferred the responsibility for welfare from the Department of Health and Human Services to the Department of Industry, Labor and Human Relations. Welfare entitlement in Wisconsin was

replaced by a system encompassing "work options, job training, health-care and child-care services, and even financial planning" (Thompson, 1996: 21). Over 1987-1995, AFDC caseloads in Wisconsin fell by 30 percent. Given that everyone is obligated to perform "some level of work" under W-2, labour market segmentation of workfare workers is organized on a 'four-rung employment ladder'. The top rung is unsubsidized paid employment, in which job-ready participants are matched to the "best available job". W-2 coverage for the working poor confers eligibility for means-tested entitlements including food stamps, health care[5], childcare and tax credits, where applicable. The second rung is subsidized employment, in which employers receive a wage subsidy for training and taking on additional workers on a trial basis of three to six months. W-2 participants may remain on wage subsidy for a maximum of 24 months and retain the same entitlements as the first rung for that period of time.

The third rung involves community service work at 75 percent of the minimum wage and has limited employment supports. The third rung is "meant for people who need to practice the work habits and skills to be hired by a private business" (Thompson, 1996: 21). The maximum duration of this period, before being required to move up to another rung, is nine months, and there is a lifetime limit of 24 months of community service work. The bottom rung is reserved for those unable to work in community service or other forms of employment. Those on the fourth rung, known as W-2 Transitions, are required to perform work activities commensurate with their abilities, at 70 percent of the minimum wage. The Transitions worker is entitled to some employment supports and, while there is also a 24 month limit to participation, extensions are allowed "on a case-by-case basis" (Thompson, 1996: 22). W-2 also includes measures designed to mandate options for teen parents who, if they are not able

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[5] W-2 benefits are designed on a sliding scale basis such that they do not offer any disincentive to work, according to Thompson (1996). State health care coverage is also extended to low-income working

to live with their parents or legal guardian, are required to live in a foster home, a group home, or a supervised independent setting. This measure is explicitly intended to "break the cycle" of "welfare dependency".

From September 1997 to December 1999, welfare expenditures were cut by 77 percent in Wisconsin. At the same time, the circumstances of former recipients have been quite bleak, in spite of the booming economy. In a follow-up survey by the state, 47 percent had problems paying basic bills and 37 percent had problems paying for housing. 32 percent had problems paying for food, and the proportion of families leaving welfare who experienced this problem had grown by 50 percent.[6] The privatization of 87 percent of the administration of W-2 has made it difficult for welfare recipients to receive benefits to which they are entitled.

A review of studies on community work experience programs in the U.S. by Mitchell (1996) showed that welfare-to-work programs only marginally ameliorate job and employment income prospects, and only where significant resources were invested and unemployment low. Only one out of every five programs examined was found to have had any positive impact on the participants' chances of being employed after 18 months. In these cases, this impact was small and based on local and regional variance in unemployment. The evaluation found that both workfare participants and non-participants tended to remain on welfare for the same duration. Three out of five workfare programs marginally worsened job prospects. No programs reduced the probability of being on welfare for more than 18 months. Only one out of five programs was found to increase participants' earnings, although the average

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families. who have the option to buy into plans available to W-2 participants.
[5] Ontario Coalition for Social Justice. "Woe is Wisconsin: Welfare Rolls Down – Homelessness Up". 2 December 1999.

amount by which it did so was less than $30 a month, this being generally a result of lower unemployment in the region or locality in question.

Independently of these shortcomings in terms of outcome, workfare is also an expensive and bureaucratic program to run. Monitoring and policing are expensive, estimated in 1998 as costing an average of $27 an hour. Most workfare programs in the U.S. have been of a pilot project nature, mainly because of these prohibitive costs, and are aimed at specific populations. Targets of 300,000 more employable people, based on a budget of several million, do not reflect the fiscal realities of the U.S. experience.

Work-for-Welfare in the U.K.

The establishment of Private Industry Councils in the U.S. was also the model for the Thatcher government's Training and Enterprise Councils (TECs), brought under the Job Training Partnership Act in the late 1980s (Peck, 1996). This model aimed to provide both local-level and private enterprise control over the allocation of training funds within a workfarist regime. This regime made participation in the Youth Training Scheme compulsory for teenagers seeking eligibility for housing benefits (Ontario Network of Employment Skills Training Projects, 1996). The Community Benefit Programme proposed by the Conservative government in the early 1990s required recipients to do 21 hours a week of work in exchange for benefits.

In 1998, the Blair government in the U.K. enacted a Welfare Reform Bill, which forces all social assistance claimants (income support, housing benefit, council tax benefit, widow's benefit and disability allowance) to attend mandatory, regular 'back-to-work' interviews with Social Security officials. 'Regular' attendance may mean once every three years, in the case of a severely disabled

person, or much more frequently for able-bodied single youth. Failure to attend such meetings will result in the termination of social assistance. The Labour Secretary of State, Alistair Darling, describes his government's reform measures as 'harsh but necessary', and will be applied with different frequency of targeting based on the 'deserving' or 'undeserving' character of the recipient group in question. 'Project Work' schemes, a precursor to New Labour's 'New Deal', were also introduced throughout the U.K. in August 1997 by the Conservative government. 'Project Work' participants received a small top-up of £20 on their dole for performing work in the community agency sector. In Edinburgh, work being done under this scheme "was that which people would normally expect a wage for"[7].

Unlike countries such as the U.K. where income maintenance benefits for the unemployed are delivered under one program, Canadian provincial and federal programs need to be examined relationally. This also applies to labour market policy, in which the federal government plays a significant (if declining) role. Provincial responsibility for social assistance, while critical to social policy, intersects with labour market policy which is also the domain of federal activities.

Work-for-welfare is a trend across the advanced capitalist nation-states, particularly in the Anglo-American countries, despite their inadequacy as a means of promoting long-term paid employment. Workfare does not address the macroeconomic and structural factors that underlie long-term unemployment. Low-cost welfare-to-work programs in the U.S. have been found to have had only a marginal effect at best, in terms of per-capita welfare cost savings, caseload reduction and especially poverty reduction (Clark, 1995;

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[7] Comments by John Drury. Brighton Against Benefit Cuts (BABC) activist, workfare-discuss listserver. 18 May 1998.

Mullaly, 1994; Evans, 1993). High-cost welfare-to-work programs have had greater success, but this weakens the ability of the state to restructure itself along the lines of spending austerity, which is the primary impetus for workfare within the neo-liberal SWS.

Although it constitutes an important broader research agenda, a more comprehensive comparative treatment of the 'worlds of workfare capitalism' is beyond the scope of this work. The point is simply to show that the processes described in the particular locality under examination here share important similarities to programs elsewhere, suggesting a generic tendency in SWS-type processes of state restructuring of social policy to meet labour market objectives.

Permeable Fordism and Social Policy in the Post-War Canadian Model of Development

The post-war Canadian economy followed a distinct trajectory within Atlantic Fordism, which Jenson (1987) refers to as 'permeable Fordism'. The Canadian Fordist model of development has its own special characteristics, based on high levels of direct foreign investment, resource dependency, and regional factors in economic development. Since the earliest years of its economic history, Canada has been a small, open economy. Exchange rate policy and the particularities of Keynesian macroeconomic management principles in a small, open economy served to increase the 'cycle-sensitivity' of the post-war Canadian economy in its paths of resource development and dependent industrialization (Macintosh, 1964; Williams, 1994; Shields and Russell, 1994). The roles played by actors in the workplace, party and state settings in the design of the welfare state in Canada predicated their post-war model of development upon "increased continental integration based on exporting resources and importing capital" (Jenson, 1993: 155).

The institutional configuration of the welfare state with the Canadian post-war industrialization model was established through a number of norms, including the prevalence of full-time, full-year work and the 'family wage', with low levels of female labour force participation. The employment contract of the post-war reconstruction did not only reflect full (male) employment principles, but also the right to a better standard of living. This standard of living was established through the 'family wage' and the return to the home on the part of the female labour force that had developed over the war years. Trade unionism in the Fordist model of development in Canada was a male domain, based on the protection of goods-production workers (agriculture, mining, manufacturing, forestry, pulp and paper, the fisheries), support for seasonal work and regional development. Income maintenance supported a 'family wage'. Fiscal and monetary levers were also important in the maintenance of high levels of employment and income.

The regulation of employment underwrote welfare policy, based on manageable levels of unemployment that would not threaten social welfare, particularly principles of sustainable 'social insurance'. The Marsh Report (1943) and the White Paper on Employment and Income (1944) proposed a system which provided a certain amount of economic security for workers through the integration of Canada as a small, open economy into the orbit of American post-war prosperity. In Canada, the post-war commitment of the federal state "to maintain a high and stable level of employment and income" was supported by a commitment to a 'reconstruction' welfare state. Elements of this included a national employment program and the creation of welfare state measures such as the National Housing Act, the Family Allowance benefits, unemployment insurance, pensions and health insurance. These measures provided both social investment and social consumption, and involved greater state intervention in

the economy (Shields, 1994: 328). Post-war progress in the development of a national social policy regime peaked with the introduction of the Medical Care Act (Medicare) and the Canada Assistance Plan (CAP) in 1966 and in the 1971 amendments to the Unemployment Insurance Act.

Enacted by the federal government in 1942, the *Unemployment Insurance Act* established a system based on a social insurance principle, presuming that unemployment relief was an emergency or short-term measure. As noted in the Marsh Report (1943: 10), "a great number of people may be liable to a certain risk, but only a few of them at any one time". The apogee of the unemployment insurance system was reached in 1971, when UI benefits were substantially increased. Over 1971-1999, unemployment insurance legislation was reformed nine times, four times in the 1990s alone (Canadian Labour Congress, 1996). With the exception of 1971, eight of these reforms involved cutbacks of one form or another. Post-1971 cuts to UI compromised the income security of workers, with the greatest impact on those most disadvantaged in the labour market.

In 1941, provincial and municipal relief for the 'able-bodied unemployed' was discontinued, except for widows and single mothers. Beginning in 1942, the establishment of federal social insurance for the unemployed absorbed most of the costs for this population. With the rapidly-expanding economy of the 1940s and 1950s, when unemployment fell on average to below 3 percent, the UI program was seen as a residual part of the post-war regime, and failed to command much attention. The Unemployment Assistance Act was enacted in 1956, restoring federal cost-sharing for the welfare costs of individuals who either were ineligible or had exhausted their UI benefits (Struthers, 1996: 4-5).

With the advent of the 1958-1962 recession, unemployment rose to over 7 percent, while welfare caseloads grew by 150 percent. The higher-than-expected

costs of social assistance, which were estimated by the federal government to amount to no more than $13 million a year, eventually reaching over $200 million by the early 1960s, renewed interest in workfare at the provincial and municipal levels (Struthers, 1996: 5-6). By 1959, many Ontario municipalities re-introduced workfare. As noted by Struthers (1996),

> In Chippewa, just south of Niagara Falls, women on welfare were put to work washing the windows and cleaning the floors of the town hall for 16 hours each month. Scarborough divided the monthly welfare payments of its employable recipients by an hourly rate of $1.55, and demanded they work it out through eight-hour days 'clearing . brush from undeveloped township land.' London's Mayor told Premier John Robarts that men in his city liked to work out their assistance because 'it took the stigma our of welfare and helped them to retain their self-respect.' The Ontario Welfare Officers Association argued that 'the threat of work stimulates people to find other support than welfare'. (Struthers, 1996: 184)

At the same time, efforts to extend workfare province-wide on the part of Ontario Deputy Welfare Minister James Band encountered a good deal of resistance from the federal government as well as within Canadian and Ontario society. Struthers (1996) describes the changing political climate as follows:

> Unlike the 1930s, Ontario by 1960 has a strong trade union movement which, after two decades of high employment and Keynesian economic thinking viewed unemployment as a national economic problem, not a test of moral character for the jobless. Ontario's unions demanded extended Unemployment Insurance benefits and job creation projects with real wages in order to combat the recession, not the return of punitive practices which, as the National Union of Public Employees argued would 'create unemployment for regular municipal employees.' (Struthers, 1996: 6)

Federal government officials echoed this perspective. The federal Auditor General came out strongly against municipal workfare projects, singling them

out as examples of 'gross fiscal mismanagement' within the administration of the Unemployment Assistance Act. Federal officials with National Health and Welfare followed by denying the Robarts government any federal costs to fund assistance for local communities with workfare schemes. Officials criticized this approach by condemning the lack of skills provided, the punitive approach to relief, and the psychological effects on recipients (Struthers, 1996: 7). By 1961, workfare programs ceased to exist, and by 1966, the Canadian Assistance Plan (CAP), which enshrined the principle of entitlement based on demonstrated need, made the implementation of such programs much more difficult.

The two major programs of the post-war welfare state's social insurance framework were UI and the CAP. Federal-provincial arrangements for financing and program delivery were the converse of each other. In the case of UI, taxes and premiums were collected and programming delivered by the federal government, while in the case of the CAP, funds were given to the provinces from the federal government for provincial programs. These arrangements proved difficult to maintain for but a short period of time.

Canadian Unemployment Rate, Selected Periods

| 1950-59 | 1960-69 | 1970-79 | 1980-89 | 1989 | 1992 | 1997 | 1998 | 1999 |
| 4.2% | 5.0% | 6.7% | 9.3% | 7.5% | 11.3% | 9.2% | 8.5% | 7.6% |
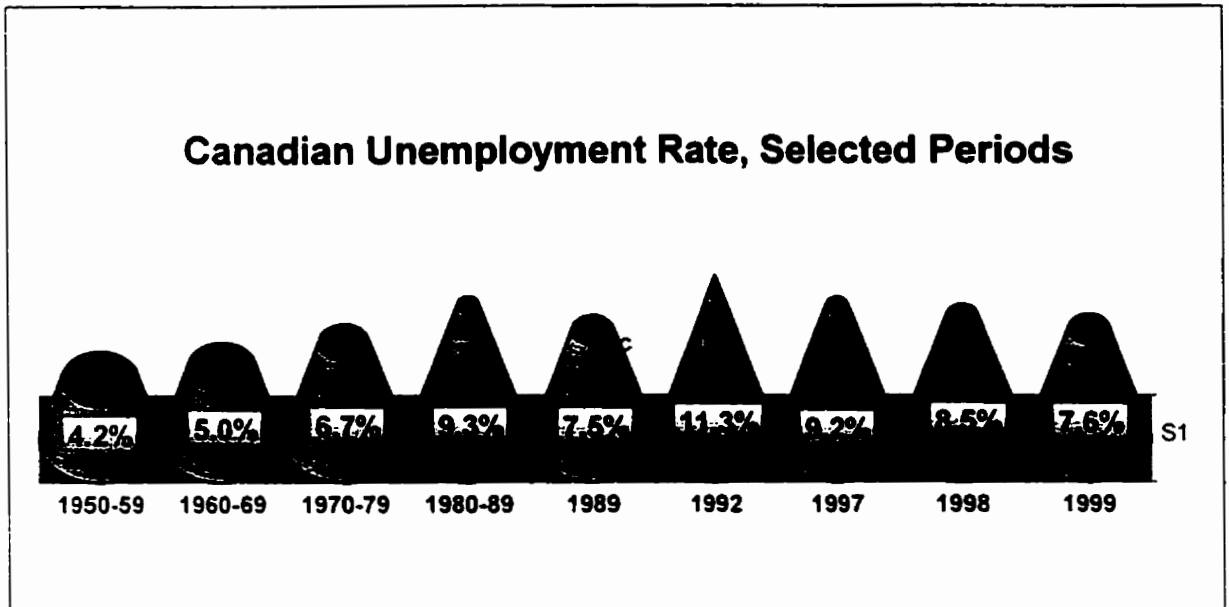
Chart 3.1 *Source:* Jackson *et. al.* (2000)

Changes in the labour market since the mid-1970s undermined the dominant wage relation predicated on full-time, full-year (male) work and the model of 'full employment' which formed the cornerstone of the Keynesian welfare state (Shields and Russell, 1994). Increasing long-term and structural unemployment, increasingly precarious employment, and changes in the gender division of labour have destabilized norms of KWS labour regulation. The shift from Fordism to post-Fordism also involves a shift from 'full employment' to 'full employability'.

The shift in focus from full employment to price stability as a central concern of macroeconomic governance in the 1970s had important implications for social insurance and social assistance for un- and non-employed workers. By 1975, full employment had effectively been abandoned by the federal government as an economic policy objective in the face of stagflation (Campbell, 1991). An important result of this was the upward pressure on UI expenditures, particularly in the wake of the 1973-1975 and 1981-1983 recessions. Coupled with this policy was a new policy discourse explaining increasing

unemployment as a product of work-leisure preferences of workers in the face of generous unemployment benefits. This was heralded in the rise of the 'UI cheater' as a constitutive part of both popular and policy discourses.

The restoration of productivity and profit through the erosion of workers' wage gains was a more pragmatic goal of the new monetarism in macroeconomic management in the 1970s and 1980s. One important effect of this climate is that labour market policy has become increasingly supply-side in orientation, and much less geared to demand-side protections or active measures such as job creation. Instead, placing workers into any available job by any means necessary characterizes most of both the federal and provincial reforms of the 1980s and 1990s.

The changing structure of employment and access to gainful employment is not a recent theme in Canadian public policy. Changing labour markets were also an important part of the policy discourses surrounding post-war regional development strategies and policies promoting employment (Coffey, 1996). The transition to a predominantly post-industrial, service-producing economy from a goods-producing economy has been continuous over the post-war decades, especially with the overall decline in staples-based production and export.

Unlike Fordism, which was based on the compact between male workers, industrial capital and the institutions of welfare Keynesianism, post-Fordism divides the interests of men and women in the labour market in such a way that both sexes--at least in the majority of the population--lose out (McDowell, 1991). That is, under post-Fordism, there has been a widening of class divisions and a narrowing of gender divisions in the labour market (McDowell, 1991). Recent national and local studies confirm a trend towards widening class and narrowing gender divisions in the labour market. In Canada, Yalnizyan (1998) notes that

the major income gap is between those under the age of 35 and those 35 and older, and that the major reason for the closing income gap between men and women has been the decline in male incomes.

The social fallout of this shift in the power dynamics structuring labour markets in the Canadian context were extensively documented in a 1998 report by Armine Yalnizyan of the Centre for Social Justice, *The Growing Gap*. Examining a variety of available measurements of individual and family income, as well as wealth and poverty data, Yalnizyan (1998) shows that unprecedented polarization in the 1980s and 1990s occurred due to a combination of state and market effects associated with the rise of neo-liberal policies since the late 1970s. Cuts to social assistance and unemployment insurance have had a deep impact on the situation of the lowest income groups.

Changes in the corporate and personal tax regime since that time have shifted away from the taxation of capital and profit, towards across-the-board cuts and exemptions (Bakker, 1994). Growing incomes for CEOs at one end of the value scale and falling wage income for the bottom tiers of the labour market are important and interconnected trends. In 1984, the top decile of families held about 50 percent of total wealth in Canada and new data is pending in 2000 that will likely show an even greater concentration at the top.

Increasingly, Canada is becoming an 'hourglass society', as reflected in Statistics Canada data over the 1973-1996 period. If the threshold for the average market income of the bottom tenth of the population of parents in 1973 is expressed in 1996 terms, the population of the bottom has grown by 67 percent, and the proportion of those in the top 'tenth' has grown by 81 percent. The number of those in the fourth lowest and fifth highest thresholds falls by 37 percent, the fifth lowest threshold by 33 percent. Greater reliance on the market as a source

for economic distribution will lead to further polarization. In real terms, the market incomes of the bottom fifth of families with children under 18 fell by $5,676 (-48.2 percent) over 1980-1996, while the market incomes of the top fifth grew by $10,138 (10.1 percent) (Yalnizyan, 1998: 123). Note that the bottom fifth of the population of economic families realize incomes from both market and state sources, while the bottom tenth (see further below) tend to subsist outside of the paid labour market.

The poorest 10 percent of Canadian parents with children under 18 years of age saw their average *market* income fall from $5,204 in 1973 to $435 in 1996 while, for the wealthiest 10 percent, it increased from $107,253 to $136,737. If left entirely to the market, the share of average income for the poorest relative to the wealthiest shrank from 1/21 to 1/314. In 1996, then, the wealthiest 10 percent of parents earned on average 314 times that of the average parent in the poorest decile (Yalnizyan, 1998: 127).

The federal and provincial tax system provided an important corrective to the rising inequality in the distribution of market incomes over the 1973-1996 period. The average *total* income of the poorest decile of parents achieved a modest growth over the 1973-1996 period (from $12,913 to $13,522), but has been in continuous decline since 1993. The poorest 10 percent of parents have thus come to rely increasingly on government transfers in order to maintain their incomes, shoring up declining market incomes. Average *total* income for the wealthiest group was relatively unaffected by government transfers, although the wealthy benefited slightly. In 1973, their average *total* income was $109,260, growing to $138,157 in 1996. The ratio of after-tax incomes of the poorest relative to the wealthiest only grew slightly, from a factor of 6.77 in 1973 to 7.25 in 1996. Federal and provincial taxation had a relatively mild impact on the bottom 10

percent, showing consistently slightly lower averages over the entire period. In 1973, average after-tax incomes for this group were $12,913 and $13,453 in 1996.

Conversely, average *after-tax* income was dramatically different for the wealthiest group, an income that has grown fairly steadily over the past few decades. In 1973, average *after-tax* income for this group was $86,196, growing to S97,372 by 1996. The peak year for all income data over the 1973-1996 period was 1989. The poorest 10 percent of parents had $4,049 in market income, S15,973 in total income, and $15,779 in after-tax income in 1989. The wealthiest 10 percent of parents had an average of $143,012 in market income, $145,356 in total income, and $106,005 in after-tax income in 1989.

Much has been made about the importance of 'human capital formation' as part of the promotion of employability. While higher levels of educational attainment are positively related to job prospects, other factors such as gender, family structure, and age all have a stronger bearing on labour market outcomes (Burke and Shields, 1999). Labour market casualization and the growing precariousness of work is the existing legacy of 'full employability'. In both its relationship to reductions in the social wage and inequality in the paid labour market, 'full employability' and 'just-in-time' workers has led to both social and economic exclusion. In a 1999 report, The Job-Poor Recovery: *Social Cohesion and the Canadian Labour Market*, Mike Burke and John Shields of the Ryerson Social Reporting Network note the following about the Canadian labour market:

- over 52 percent of Canadian workers earn less than $15 per hour
- 3.2 million Canadians, or one-fifth of the workforce, are either unemployed or subemployed
- 45 percent of workers aged 25 to 59 are not full-time tenured workers
- Part-time, contract and full-time non-tenured forms of employment tend to pay between S5 and $8 an hour less than full-time tenured work

- 6.7 million Canadians, over half of the workforce, "are in vulnerable employment situations because they lack employment stability and/or market income sufficiency"

The study examined 'sustainable employment', comprised of three dimensions: labour market exclusion, wage polarization, and employment vulnerability. The exclusion component measures "the number and condition of people who want work or who want more work but are unable to find it". For May 1998, the labour market exclusion rate was 20.3 percent (the unemployment rate for the same month was 8.4 percent). The wage polarization component looks at polarization of earnings of the core workforce (aged 25 to 59) in terms of the full-time tenured group and others. In May 1998, the proportion of workers in the non- full-time tenured group was 37.1 percent. Median income for full-time tenured workers was S17.44 an hour, compared to $12.73 for the non- full-time tenured workers. The employment vulnerability component also is based on data for the core workforce, examining both instability of employment and employment income.

The fact that the market gap has grown much faster than the income gap is critical to understanding the political economy of income tax cuts. An increasing market gap is of real concern, as the gaps in market income threaten the stability of the redistributive principle. Put another way, the politics of redistribution in production have come to matter as much, if not more, than the politics of redistribution through state income maintenance systems. A socially-equitable and sustainable post-Fordism approach to resolving this crisis must address the related issues of the redistribution of training and working time, as well as income, as a means of creating a more harmonious 'virtual circle' of lifelong learning, continuous innovation, and increasing leisure time. Access to such patterns of career development is increasingly limited in the age of the 'growing gap'.

Market supremacy unfailingly leads towards greater and greater social and economic polarization. Different forms of intervention and regulation have been deployed as a way to attempt to incorporate greater inequality within a new model of development. Attempts to mediate the decline of 'full employment' and the rise of 'full employability' can be traced to federal and provincial policy developments in the 1980s and 1990s. Both labour market and social policy were gradually changed from a way of meeting social needs to meeting the imperatives of a globally-competitive economy.

'Full Employability' and the Crisis of the Canadian KWS

The first wave of 'employability enhancement' reforms followed the 1981-83 recession. The Canadian Jobs Strategy (CJS) was the result of a policy process initiated shortly after the election of the federal Conservatives in 1984. A December 1984 Employment and Immigration Canada (EIC) consultation paper was released on training, which called for employers to play a more prominent role in priority-setting for public institutions involved in service delivery. Federal consultation with labour market stakeholders, particularly employers, may have reflected difficulties in federal-provincial process (McFadyen, 1997: 60). Following on the heels of another round of federal-provincial discussions, the Regina First Ministers' Conference on the Economy (February 1985) and the Nielsen Task Force (May 1985), federal-provincial agreement emerged on the principles "emphasizing a greater economic policy orientation for active labour market policy" (McFadyen, 1997: 61).

A large part of the impetus for 'employability enhancement' originated from a rising proportion of employable social assistance recipients, beginning in then mid-1970s with successive erosions of federal unemployment insurance.

Federal-provincial negotiations on increasing the availability of employment programming to social assistance recipients in the post-recessionary 1980s led to the 1985 'Four-Cornered Agreement' between the federal government (the Departments of Health and Welfare and Employment and Immigration) and their counterpart provincial ministries. By 1988-1989, a total of $400 million had been spent on over 3,000 provincial employment initiatives (Evans, 1993: 55).

There were three elements to the 1985 and subsequent 'employability enhancement' agreements negotiated between the federal and provincial governments. Funds were provided for pilot projects, targets of between 20-30 percent of social assistance recipients for participation in components of the Canadian Jobs Strategy (CJS) were set, and the Canada Assistance Plan (CAP) regulations were amended to allow for transitional benefits to newly-employed social assistance recipients (Evans, 1993: 62).

Employability initiatives for unemployed workers had also become an important part of the federal government's strategy. Policy developments in the 1980s and 1990s, including the Canadian Jobs Strategy (CJS), the establishment of the Canadian Labour Force Development Board (CLFDB), the establishment of the Canadian Labour Market Productivity Centre (CLMPC), the De Grandpre report, and the Labour Force Development Strategy (LFDS) indicate the rise of 'full employability' and decline of 'full employment'. In 1985, the federal government embarked on a new federal funding framework for employability programming for unemployed persons and social assistance recipients. The Tories' early labour market policy initiatives were an important push for 'employability enhancement' as part of a corporatist model involving joint federal-provincial policy and funding framework for service delivery. New principles of federal-provincial cooperation were also based on a reduced role for both levels of the Canadian state. As put by Arthur Kroeger, former deputy minister of EIC, "in

the view of a number of officials, including myself, the solution to federal provincial disputes was not to increase the powers of either level of government, but rather to give greater power to their customers" (Kroeger, 1996: 234).

The Canadian Jobs Strategy (CJS) represented a shift from both the demand-side and supply-side programs of the 1970s and 1980s in that it combined institutional and workplace-based training and employability programs, wage subsidies, operating grants, etc., across both the public and private sectors. The shift towards workplace-based training was also seen as a means of avoiding the costs of job creation programs initiated in the 1970s. As noted by Colin McFadyen, "It was hoped that with the CJS the federal government could curb expenditures on the demand side (job creation) programs that had evolved in the 1970s, in favour of supply-side programs that combined work experience with formal training" (McFadyen, 1997: 61).

The structural and cyclical changes in the Canadian political economy associated with industrial restructuring from the Free Trade Agreement (FTA) and post-Keynesian macroeconomic policy constraints tended in equal measure to weaken the effectiveness of supply-side, 'full employability' policies. Macroeconomic performance is a factor that overshadows the impact of employability initiatives and active labour market policies on employment levels, as seen in the case of the early-mid 1990s (Fortin, 1995; Fortin and Osberg, 1995). Put another way, despite its virtual disappearance from official policy discourse, 'full employment' matters just as much as 'full employability'. This is so even if the latter had become the only game in town for policy-makers, the demand-side programs having fallen out of favour with the decline of KWS regulation.

Active labour market policies are an important means of distinguishing between work-welfare regimes. For example, 'welfarist' solutions to problems of poverty

as traditionally pursued in North America are radically different from Sweden, which has equally high expenditures on active labour market programming and income maintenance. In Sweden in the 1980s, benefits may have had participation requirements, but full employment meant that active labour market policies had real results (Evans, 1993: 65). Data from the OECD's *1996 Employment Outlook* showed that Sweden spent 3.0 percent of GDP on active programs and 2.5 percent on passive programs, with a total of 14.6 percent of labour force participating. In Canada, the corresponding figures were 0.56 percent, 1.32 percent and 2.9 percent respectively; in the U.S., they were 0.2 percent, 0.35 percent and 2.7 percent. The commitment to full employment policies and a generous income maintenance system in countries such as Sweden means that welfare-to-work and related programs occur in a context defined by real opportunities.

An important difference between employability enhancement in the 1980s and in the 1990s is that the federally sponsored programs in the 1980s were voluntary. Indeed, many pilot projects were oversubscribed, some attracting three times the anticipating demand (Yalnizyan and Wolfe, 1989). This raises the question of why mandatory programs are needed. One answer may be that voluntary employment programming, if extended to all who wanted it, would dramatically increase the costs for the welfare state of such programs. Requirements may also be used to arbitrarily reduce eligibility for social assistance, however, making them desirable from the point of view of a state aiming to reduce social expenditures.

The proportion of EIC/HRDC spending on human resource development as a share of federal expenditures declined continuously throughout the 1980s. In 1984/85, such program expenditures accounted for 1.66 percent of federal government spending, declining to a level of 1.16 percent in 1989/90. When

viewed in terms of the share of such expenditures to the GDP, the decline was from a level of 0.4 percent to 0.25 percent (McBride, 1997). This was in spite of the accelerated pace of industrial restructuring in the 1980s and the adjustment pressures that fell particularly hard on older workers in older industries.

Active and Passive Labour Market Program Expenditure as Percentage of GDP, Canada, 1986-1996

	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996
Passive	1.87	1.86	1.64	1.57	1.57	1.91	2.28	2.24	1.98	1.54	1.32
Active	0.63	0.62	0.55	0.5	0.51	0.53	0.61	0.64	0.64	0.6	0.56

FY Ending
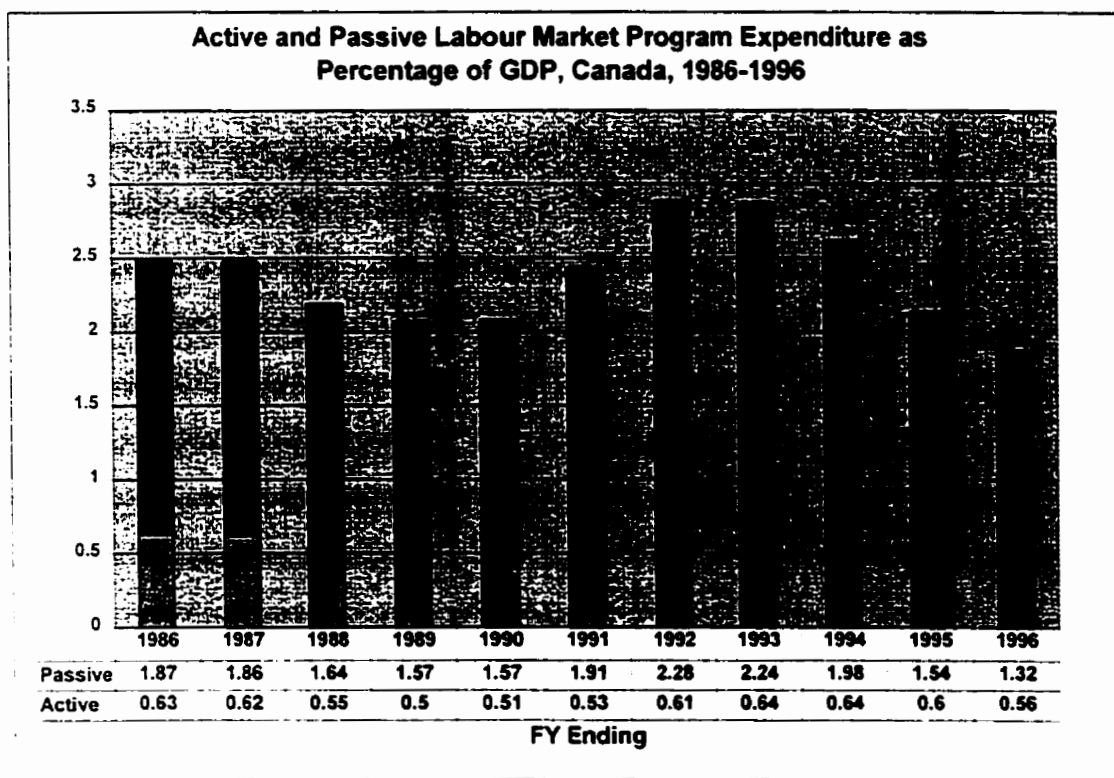
Chart 3.2 *Source*: Organization for Economic Cooperation and Development, 1996

In June 1989, the federal government introduced Bill-21, which specified that 15 percent of the unemployment insurance fund could be diverted from income maintenance to Developmental Uses (UIDU). Along with other measures to follow, including the Labour Force Development Strategy (LFDS), the federal initiative to reduce passive supports and promote labour market activation was expressed in the "Success in the Works" report of Employment and Immigration Canada (EIC) to reduce "work disincentives" (Employment and Immigration Canada, 1989: 5).

In 1993, the Liberals announced a commitment to the employability paradigm in the Red Book. True to form, the Liberals came to power on a campaign based on increasing employment, while the form of the federal social security review under HRDC Minister Lloyd Axworthy was based on its subordination to Finance Minister Paul Martin's war on the deficit. These political dynamics were important, in that the victory of the right in the Chretien cabinet provided further impetus to processes of 'hollowing out'. The introduction of the CHST, which reduced transfers while increasing provincial scope in program delivery, was a classic example of the fiscal basis for decentralization. Federal programs were also reduced in scope, and restructured to enable to federal government to eliminate its own deficit, further increasing the difficulties of the provinces as welfare caseloads climbed as UI eligibility dropped.

UI coverage and expenditures are the result of a number of structural factors established by federal legislation, including premium levels, benefit rates, scope, and maximum eligibility periods. UI expenditures are further conditioned by labour market factors such as unemployment rates, average length of unemployment, and labour force adjustment (e.g. downsizing and layoff of older workers). UI reforms in 1977 and 1990 emphasized the importance of training and active labour market programming as part of the adjustment of workers to the new economic realities (Canadian Labour Congress, 1998). The establishment of a large surplus in the EI fund through successive cutbacks and reforms reducing the scope of coverage was crucial in the development of a federal budget surplus in the late 1990s (Hayes, 1998).

Cuts in expenditures and massive UI/EI fund surpluses were critical to restoring the fiscal position of the federal government. The 1994 budget reduced UI expenditures by $2.4 billion. In the 1995 budget, a target of 10 percent reductions

in UI program expenditures was established as a key objective of social security review. Expenditure reduction in the late 1990s had also become possible due to an improving labour market, although the structural reforms reducing eligibility and payouts were fundamental to expenditure reduction.

Despite the prevalence of 'full employability' in policy discourse and the redirection of 'passive' income maintenance funds into the Unemployment Insurance Developmental Uses (UIDU) fund, Canadian spending on active labour market policy actually declined from a level of 0.63 percent of GDP in 1985/86 to 0.56 in 1995/96, 12th of 20 OECD countries (Organization for Economic Cooperation and Development, 1996).

Active Employability Enhancement Measures, Canada, 1986-1996, Expenditures as % of GDP

- ◆ - Public Employment Services and Admin. ━●━Unemployed Adults and Those at Risk
━△━Employed Adults ━✕ - Youth Measures
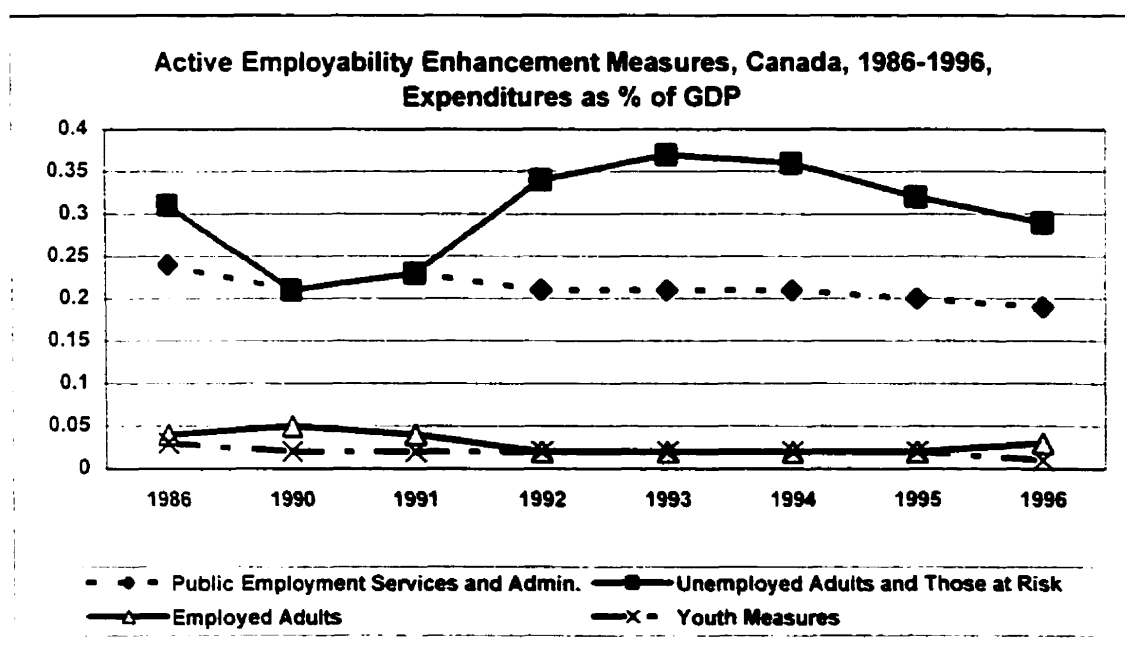
Chart 3.3 _Source_: Organization for Economic Cooperation and Development, 1996

While the drop in 'passive' (income maintenance) measures is more pronounced, the shift in state policy emphasis in the direction of 'active' measures did not involve increased state expenditures over this period. Because active labour

market policy in Canada had shifted away from demand-side job creation programs, the impact of even the remaining supply-side policies were minimal in the context of the recession and slow labour market growth throughout much of the 1990s. The viability of supply-side measures has also been questioned in a variety of different national and subnational studies. Both 'deadweight' (persons who would have found jobs on their own in the same amount of time or less) and 'substitution' (no new net employment) effects need to be discounted when evaluating the impact of any employability measures (Sharpe and Haddow, 1997: 46).

Changes in the scope of income maintenance have been more pronounced and successful in meeting neo-liberal goals of deficit reduction and reducing the size and scope of government. It has fared less well when the needs of workers are considered. In a 1998 brief presented to the Standing Committee on Human Resources Development on Bill C-96, Bill C-111, and Bill C-112, the Canadian Labour Congress noted that

> Prior to the recent cuts to the UI program, UI served its primary purpose very effectively. By replacing the earnings of unemployed workers, it stabilized the incomes of workers and limited the risk that unemployment would result in reduced living standards – a major risk faced by workers at all levels of earnings. But, UI not only served the needs of individual workers as they became unemployed, it stabilized overall levels of income and employment, and contributed to the efficient matching of the skills of unemployed people with the jobs that were available. (Canadian Labour Congress, 1998)

Reforms in the late 1990s have continued to reduce EI premiums in the face of declining expenditures, which the UI Reform Business Coalition and HRDC officials once cited as a basis for job creation (UI Reform Business Coalition, 1994). The first measure of this kind was introduced in the 1992 budget for small

businesses with little direct job creation impact (Canadian Labour Congress, 1998). Even as an incentive system, this policy was out of step. Premium *reduction*, while relevant for small businesses with employees, was less an issue than insurance *coverage* for self-employed persons, whose numbers grew significantly over the 1990s.

In 1996, unemployment insurance was reformed to account for eligibility based on hours, not weeks, worked. In theory, this was supposed to increase the eligibility of part-time workers and those working for more than one employer over the year, previously excluded from UI coverage. The federal government based this policy on changes in the labour market for increasing numbers of Canadians. Theoretically, however, the shift from the standard workweek also supports an extensive use of overtime and other forms of just-in-time labour allocation patterns by employers (Canadian Labour Congress, 1998).

Ironically, sanctions against those receiving repeat layoffs within the year were also introduced in spite of the changing nature of the labour market, i.e. increasing temporary and contract work. The reduction in the maximum duration of benefits also did not reflect the serious adjustment costs for older workers in older industries in the restructuring of the broader labour market. The re-employment period for laid-off older workers is typically longer than average; in periods of rapid industrial restructuring and adjustment, the numbers of such workers have grown. This group was particularly adversely affected by reductions in the maximum duration of benefits.

Nationally, research chaired by NDP MP Yvon Godin found that there were many reasons why people were denied UI (New Democratic Party of Canada, 1998). Unemployed individuals have found it increasingly difficult to collect unemployment benefits, due to increasingly restrictive eligibility requirements.

A major effect of the restructuring of the UI/EI system over the period since the 1970s, in the form of decreasing eligibility and other changes aimed at providing net savings for the social surplus in the 1990s, has been to heighten the vulnerability of the unemployed by forcing them onto social assistance or informal systems of social support. This is often the case for precarious workers who work an insufficient total number of hours as well as those who have exhausted their UI/EI payout period.

One of the common principles in reforms to both social assistance and unemployment insurance in Canada by both federal and provincial governments has been the promotion of the principle of 'mutual responsibility'. The 1994 federal discussion paper on social security reform, *Improving Social Security in Canada*, established five principles for reform: creating opportunity, investing in people, mutual responsibility, preventing future problems, and putting people first. Of particular interest in the case of workfare are the principles of 'mutual responsibility' and 'putting people first'. Human Resources Development Canada (1994) defines the principle of 'mutual responsibility' as follows:

> Society definitely has a responsibility to provide support for people who are in need and who cannot work. But individuals also have a responsibility to help themselves. And business, labour and communities must play their part.

Since 1994, the discourse of 'mutual responsibility' has meant increasing obligations for unemployed workers and employable SARs. The principle of mutualism has been markedly one-sided and the social obligation to support those in need has been greatly diminished.[8] The definition of those who "cannot work" has also been increasingly restricted with the development of

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[8] The related idea of the 'social contract' can be traced in the design of some welfare-to-work programs in the U.S. (Evans. 1993). This concept. which stresses the reciprocal obligation between society and the individual. also corresponds to the concept of mutual responsibility.

'workfarism', as demonstrated in reduced eligibility for social assistance. The discourse of 'responsibility' is also a discourse of 'obligation', which reflects the close relationship between 'mutual responsibility' and social policy as 'hegemony armoured in coercion'.

The reduction in the scope of unemployment insurance coverage by the federal government in the 1990s will lead to greater provincial and local social assistance caseloads during the next recession, placing a higher proportion in work-for-welfare assignments. New labour market conditions and characteristics increase the challenges for local and supra-local state strategies that aim to promote employment. There are many barriers to employment and the effects of structural reforms of social assistance on actual employment opportunities for welfare caseload populations have been negligible at best, often creating additional barriers.

The End of CAP and the Return of Workfare

The dismantling of CAP and introduction of block funding under the CHST is a significant signpost in the decline of the post-war Canadian welfare state and the end of fiscal federalism. The 1995 Budget significantly reduced regional equalization payments – a founding policy of 'permeable Fordism' that distributed the benefits of dependent industrialization to regions facing high unemployment, such as Atlantic Canada.

Massive changes in benefit levels were in evidence all across Canada over the 1995-96 period. Every province and territory reduced benefits in this period, from a low of 1.3 percent in Nova Scotia to a high of 17.9 percent in Ontario (in adjusted 1996 dollars). With the exception of Newfoundland, which reduced welfare benefits for single employables by a whopping 43.1 percent, Ontario saw

the most dramatic changes in the value of welfare benefits over this period. This process of income erosion is now accompanied by 'mandatory work-for-welfare' in many different social welfare systems at the provincial level. Also notable were the relatively small declines in Alberta over 1995-96, at a relatively low -1.6 percent. This stood in marked contrast to the -42.5 percent decline over 1986-1996. In spite of the similar neo-conservative hue of the Klein and Harris governments, the differences in the Alberta and Ontario contexts are particularly notable, as also seen in the difference in debt and deficit to GDP ratios in the mid-1990s.

Percentage Change in Annual Welfare Benefits for Single Employables, 1986-1996

Jurisdiction	1986	1995	1996	Rate Change 1986-1996: Single Employable	Rate Change 1986-1995: Single Employable	Rate Cut 1995-1996: Single Employable
Canada	S 6,040.91	S 6,404.25	S 5,933.17	-1.8%	6.00%	-7.40%
Ontario	S 6,955.00	S 8,024.00	S 6,584.00	-5.3%	15.40%	-17.90%
British Columbia	S 5,871.00	S 6,743.00	S 6,131.00	4.4%	14.90%	-9.10%
Saskatchewan	S 5,777.00	S 5,852.00	S 5,760.00	-0.3%	1.30%	-1.60%
Quebec	S 3,254.00	S 6,096.00	S 6,000.00	84.4%	87.30%	-1.60%
Newfoundland	S 4,595.00	S 4,395.00	S 2,502.00	-45.5%	-4.40%	-43.10%
PEI	S 8,535.00	S 5,725.00	S 5,245.00	-38.5%	-32.90%	-8.40%
Nova Scotia	S 6,273.00	S 5,998.00	S 5,922.00	-5.6%	-4.40%	-1.30%
New Brunswick	S 3,092.00	S 3,146.00	S 3,132.00	1.3%	1.70%	-0.40%
Manitoba	S 6,901.00	S 6,562.00	S 6,070.00	-12.0%	-4.90%	-7.50%
Alberta	S 8,220.00	S 4,804.00	S 4,728.00	-42.5%	-41.60%	-1.60%
Yukon	S 6,977.00	S 8,021.00	S 7,895.00	13.2%	15.00%	-1.60%
Northwest Territories	--	S 11,485.00	S 11,229.00	--	--	-2.20%
Average Prov./Ter. Change				-4.2%	4.30%	-8.00%

Table 3.1 _Source_: Centre for International Statistics, Canadian Council on Social Development and Statistics Canada. Note: In constant 1996 dollars.

With the erosion of fiscal federalism since the introduction of the Established Programs Financing Act in 1977, and the influence of the new federal employability initiatives, several provinces began to implement workfare-type initiatives and other measures that made receipt of social assistance contingent

on a combination of means-testing and obligations to seek and accept work. CAP made provincial transfers for social assistance costs contingent on the establishment of financial need as the sole determination for eligibility. Work requirements could be used in the determination of need, but once a determination of financial need has been reached, there could be no additional requirement to maintain eligibility (Lightman, 1995).

At the same time, CAP did not explicitly prohibit workfare, which was why one of SARC's recommendations was to amend the legislation in order to prohibit any cost-sharing of compulsory work-for-welfare at the local level (Evans, 1993: 62). The abandonment of CAP indicated that decentralization and devolution would permit the provinces more leeway in social welfare program design and expenditure. To date, workfare-type programs have been implemented in British Columbia, Alberta, Manitoba, Quebec and New Brunswick, as well as Ontario.

'Workfare' refers to both 'welfare-to-work' and 'work-for-welfare' policies, which must be distinguished from one another based on how they subjectify welfare recipients. Welfare-to-work policies include a broad range of primarily voluntary employability and training programs for social assistance recipients (SARs) and unemployed workers. Based on a survey of provincial and territorial work-for-welfare programs in Canada, Gorlick and Brethour (1999) found a consensus that work-for-welfare policies are defined by a mandatory participation requirement and additional conditions, including:

- employable SARs are required to accept any available employment and to engage in active job search;
- there are sanctions for not working, whether or not work is available;
- there is little support for skill development, except for basic skills that are a requirement for all forms of employment;
- there is little choice on the part of the employable SAR in choosing between jobs; and

- 'jobs' created through work-for-welfare schemes are not part of the
  competitive labour market and created solely for the recipient (Gorlick and
  Brethour, 1999: 6).

New Brunswick Works was a voluntary four-year labour market integration
program for social assistance recipients. Case management for NB Works was
also fairly intensive – with a two-week pre-employment orientation and case
plan management phase. Other costs included 20 weeks at a first work
placement at a rate of $6.25 an hour (with a babysitting allowance of $2.50 an
hour and a transportation allowance of $.11/km). UI contributions are made
over this period, with the intent of moving social assistance caseloads into UI
caseloads, through eligibility for the UI training allowance.

Quebec has been a 'social policy laboratory' for the rest of Canada.[9] Quebec's
approach to welfare-workfare reform has not been based on cutting people off
welfare through non-compliance, but by significantly reducing payments for
'non-compliance'. The extension of workfare in Quebec has targeted youth of 18-
24 years. The last set of changes reduced welfare benefits to a level of $350 a
month; $250 for those with shared accommodations. There is a $150 penalty for
anybody who has refused work, or been fired. A 1986 change, which went into
effect in 1989, established two categories of social assistance recipients (SARs) –
employable and unemployable – with two benefit rates. 'Employable' benefits
are on a scale based upon factors such as participation, age, presence of children
and other factors. This group received a cut of $150 when this change was
implemented. The government's argument was that this was a solution to
"social exclusion" in which people on welfare were "integrated" and given a
"hand up". Over 1989-1995, the 'employables' caseload grew by 50 percent. The

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previous penalty of $150 was generalized to all 'employables'. If youth did not participate, they lost another $150.

The intent of the Quebec government is to extend these new terms to all employable adults, including those with children over two years old. Traditionally, sanctions were never applied to those with children under four years old. The social fight-back has prevented the government from moving further on this agenda at this time. As of September 2000, however, the new penalty comes into effect for youth. Over the past 11 years, there have been two major rounds of welfare reform; this is the second one.

Quebec's Employment Enhancement Programme was recently declared by the UN to violate the Quebec Charter of Rights, on the grounds that it contravened guarantees of equality in employment and the right to just and fair employment conditions. The program was found to discriminate on the grounds of social condition, as participants in the training through placement programs had little or no training with which to perform regular work at the mandated employment sites (Clennett, 2000).

Quebec's subsidized employment program, Programme d'Aide a l'Intégration en Emploie (PAIE), placed welfare recipients in public or private sector jobs for a period of six months, upon a commitment from the employer that they would hire the recipients for at least 18 weeks. the Quebec government provided dental care, drug card, and other health benefits for the duration. At the end of this period, recipients became UI-eligible, becoming a responsibility of the federal program (Ontario Network of Employment Skills Training Projects, 1996: 15; Reynolds, 1995).

It is telling that all the major political parties in power throughout Canada, including social democratic parties, engage in little to no discussion about the increases in both poverty and attacks on the poor except in terms of work. Universal entitlements of the welfare state that do have a support base in the middle class strata enjoy the highest degree of support for public spending – namely education and health. Public opinion polls on work-for-welfare, and the relative support of different areas of government spending show this allocation of priorities, both bolstering the popular support for workfare. In a 1994 Gallup Poll, 86 percent of Canadians indicated that they were in favour of making people on welfare go to work (Evans, 1993: 6). This proportion has remained at that more or less the same level with the implementation of workfare.[10]

Welfare-Workfare in Ontario: The Historical Context for Ontario Works

The term 'workfare' is also often conflated with welfare-to-work programs, including any variety of training, upgrading and job search activities, although should be kept analytically separate in discussions about public policy (Torjman, 1996; Mitchell, 1996). Such 'activation' programs have their policy antecedents in NDP-era programs that are consolidated into the overall policy delivery framework at the local level, programs such as Supports to Training and Employment Program (STEP) and Opportunity Planning. In its most narrow sense, 'workfare' refers to the final obligation to participate in unpaid work activities as a condition for receiving state income benefits for all eligible recipients unable to secure paid employment in the competitive labour market.

Ontario Works remains a program in flux, subject to continuous reinvention by the provincial government. This raises the necessity of distinguishing between

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[10] Recent polling information which supports this argument interestingly also notes that a majority of the same public report that they are concerned about rising poverty.

workfare as a broader state strategy, and Ontario Works, the provincial government program. Also, workfare is a specific discursive referent, deployed and not deployed by social agents to describe different things in different ways. Depending upon whether one is speaking in a 'broad' or 'narrow' sense about workfare, an understanding of the requirements of the program and the circumstances in which workfare as a social relation is actual. In the narrowest sense, workfare practices occur within the Community Participation component of Ontario Works, which covers only a small percentage of the Ontario Works caseload. In a broader sense, Ontario Works is part of a broader 'workfarist' program based on cuts to social assistance and social supports that reduce taxpayer costs. This dimension co-exists in an uneasy tension with the 'full employability' dimension, and a dynamic relationship between consent and coercion in practice.

The abandonment of the 30-year old Canada Assistance Plan (CAP) in 1995 is often associated with the emergence of workfare in Ontario. The Harris government scheduled to begin its pilot workfare program in 1996 after the CHST had come into effect. While the 1995 federal budget and the introduction of the CHST was an indicator of the loss of rights under CAP, 'workfarism' has a history in Ontario that clearly predates the CHST and the Harris government's rise to power later that same year. The roots of workfare in the province run deeper, as elsewhere, back to the older paradigms of the 19th century and pre-KWS period of the 20th century. The 'workhouse test' has a long history in Anglo-American societies, dating back to the Elizabethan Poor Laws. In the 20th century, the re-establishment of the 'work test' as a means of separating the 'deserving' and 'undeserving' poor "runs like a continuous thread linking Elizabethan England to Mike Harris' Ontario" (Struthers, 1996: 1). James Struthers argues that there are many parallels between workfare in Ontario in the 1990s and 'work for relief' in the 1930s.

Workfare, which Struthers (1996) defines as "the demand for compulsory labour or service from the poor as a condition of their relief", is predicated on the age-old concept of the 'deserving' and 'undeserving' poor. Struthers (1996) traces the long-term continuities in the rationale for workfare in the 1990s and that of the authors of the original Poor Laws. The first is the assumption that sufficient work is available for 'those who want it', and the second is the assumption that a primary cause of poverty is dependence on the availability of relief. In order to ensure that a 'culture of dependency' would not happen as a result of relief provision, the governments of the day introduced the work 'test'.

> When sufficient work cannot be found for all who want it, how can distinctions be made between the lazy as opposed to the merely unlucky? In the early 19th century, the most influential answer ever devised to this dilemma emerged within the English Poor Law Report of 1834.

> The Poor Law Report originated the idea of the 'workhouse test' - a kind of self-administered psychological screening process - to separate the deserving from the undeserving poor. By compelling all those who sought relief to prove their need by voluntarily committing themselves and their families into central workhouses as a condition of receiving assistance, the authors of the Poor Law Report believed they had discovered the simplest and cheapest way to reduce societal spending on the poor to the absolute minimum necessary. (Struthers, 1996: 2)

Until recently, it have been accepted that dislocation and unemployment are generally associated with economic cycles, urbanization, technological change and other structural factors in the labour market, and cannot be reduced to a sudden onset of 'shiftlessness' on the part of the poor. While the latter argument is sometimes deployed in order to build popular support for workfare and other strategies that aim at promoting 'full employability', it cannot hope to solve the more complex questions of labour market integration today.

The lessons of history are important in hindsight, if societies are to learn from their mistakes. In the late 19th century, workfare was introduced in order to maintain the dignity of the social order, and to address problems of lawlessness and moral impurity. This discourse still carries great weight in the public sphere of over one hundred years later, in spite of progress in the knowledge of social policy communities. Since those times, the institutional compromise brokered through the KWS displaced this conception of unemployment. Most (if not quite all) living social policy analysts have come to accept that poverty is primarily related to the labour market and not to a 'culture of dependency' in society.

> Work tests also informed the moral panic surrounding the rise of 'tramps' in late 19th century Ontario. In hindsight, we know that the steam revolution in transportation and industrialization fractured local labour markets, accelerated the dependency of the population on wage labour and provoked a vast upsurge in labour mobility and cyclical fluctuations in labour demand, a phenomenon we now call 'unemployment'. (Struthers, 1996: 2)

The government of Upper Canada never implemented a poor law, but the upsurge in the marginal population of 'tramps and vagrants' in the 1880s and 1890s led to provincial legislation requiring municipalities to create 'Houses of Refuge' or 'County Homes' for the indigent or itinerant workers. Here on the geographical fringes of towns and cities, the homeless and destitute were both housed and put to work doing menial tasks. Antecedents to workfare in the contemporary 'Third Sector', particularly in religious charities, can also be found in the Ontario of the 1880s and 1890s.

> Led by the Associated Charities movement, the middle-class campaign against the tramp menace succeeded, during the 1880s and 1890s, in having requirements for breaking stone or sawing cords of wood imposed upon all single men seeking aid from the city's charities or its House of Industry. In exchange for three or

four hours work in the woodyard or on the stonepile, tramps were entitled in the 1880s and 1890s to a bowl of soup, six ounces of bread and shelter for the night. (Struthers, 1996: 3)

In 1935, 60 years prior to the introduction of Ontario Works, the Ontario government of Mitchell Hepburn legislated work-for-relief. As noted by the Ontario Network of Employment Skills Training Projects (ONESTeP),

> The government's actions incited an upheaval among the unemployed. People receiving social assistance resented cutbacks in allowances, having their homes inspected by government officials and being required to shovel now, cut wood and rake leaves for their cheques. During the winter and summer of 1935 there were relief strikes in Markham, Crowland, Windsor and London Township. The strikers demanded either higher payments for their work or an end to the work requirement altogether.[11]

As noted previously, workfare remained in favour with the provincial government and various municipalities into the 1940s and 1950s, but was proscribed by the federal government under cost-sharing arrangements in the early 1960s. Throughout the latter 1960s, 1970s and 1980s - the heyday of CAP - social assistance fared somewhat better, but this was perhaps more attributable to federal leadership than provincial developments. After 40 years of moderate Conservative rule, the election of a minority Liberal government in 1985, with NDP support, led to the articulation of a different kind of state project in Ontario than at the federal level, one with a distinctively more progressive cast (Wolfe, 1997: 156).

By the mid-1980s, structural unemployment was already seen to lead to discrimination in benefits levels that unfairly hurt the employable SAR

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[11] Ontario Network of Employment Skills Training Projects. Singing for our Supper: A Review of Workfare Programs (July 1995), p.2; see also James Struthers, The Limits of Affluence: Welfare in Ontario, 1920-1970 (Toronto: University of Toronto Press 1994), p.93-94.

population. As noted by the Social Planning Council of Ottawa-Carleton (1986), "The legislation governing social assistance is outdated and punitive. Higher benefit levels have persisted for those considered 'unemployable', while those considered 'employable' have been financially discriminated against during times of high unemployment." By the late 1980s in Ontario, welfare reform appeared to be a question of bringing individuals and families at least closer to, if not at or above, the poverty line. In 1989, Ontario's programs for seniors, the disabled, and sole-support parents were consolidated into the Family Benefits Act. The philosophy of the Peterson government reflected closely that guided the welfare reform inquiry of the Ontario Social Assistance Reform Commission (SARC):

> All people in Ontario are entitled to an equal assurance of life opportunities in a society that is based on fairness, shared responsibility, and personal dignity for all. The objective of social assistance, therefore, must be to ensure that individuals are able to make the transition from dependence to autonomy, and from exclusion on the margins of society to integration within the mainstream of community life.[12]

The *Transitions* report also sought a new 'social contract' as a blueprint for welfare reform, establishing 'mutual responsibilities and shared obligations between the state and the citizenry'. Recognizing the fact that significant program investments and income maintenance improvements needed to be met by the state in order for there to be a basis for participation in an ethic of social solidarity, *Transitions* noted that

> If the state fulfils its responsibility, it is legitimate and reasonable to insist that some recipients also have responsibilities that they must fulfil. It is not legitimate to require recipients to meet those conditions if the state does not fulfil its part of the bargain, however. The almost symbiotic nature of this relationship may

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[12] 1988 Report of the Social Assistance Review Committee – *Transitions* – Principles for Reform.

> have the added advantage of encouraging the government to
> ensure that adequate resources are made available to provide real
> opportunities for self-reliance. Failure to do so will effectively
> release recipients from any obligations they otherwise may have
> had. (Ontario Social Assistance Review Committee, 1988: 231)

The origins of the Opportunity Planning program were based on this 'social contract' philosophy. The creation of an Opportunity Planner caseworker would co-design an action plan with employable social assistance recipients. This action plan was to be designed such that it "builds on the recipient's existing skills and strengths and is in keeping with the resources and opportunities in the community" (Ontario Social Assistance Review Committee, 1988: 206).

As noted by Evans (1993), this model is notable for "the combination of 'contracting' around detailed and individualized employment plans, the linkage of these to benefit entitlement, and the attempt to specify state responsibilities in the provision of service" (Evans, 1993: 64). Also of concern was the fact that in the context of welfare cutbacks, contractarian discourses of 'mutual responsibility' could prove to be empty rhetoric, leaving a markedly one-sided set of obligations. As put by Evans, "limited funding imposes serious constraints on the type and quality of service and it is in these circumstances that the welfare 'bargain' is likely to become more coercive and punitive" (Evans, 1993: 64).

The central recommendations of SARC affected areas of income maintenance. The *Transitions* report can be seen to reproduce the regulation of the poor and also contained certain elements of workfare, or 'mandatory opportunity planning' for certain non-designated groups. [13] SARC provided an important contribution to the progressive reform struggle of the 1980s, even if its 1990s legacy has proven quite dismal (Rebick, 1999). The *Transitions* report was a

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[13] See *Transitions* recommendations #113 and #91.

product of its times. By 1989, the provincial government's budget statement noted proudly that:

> Ontario now provides among the highest levels of social assistance benefits in Canada. For example, Ontario provides the highest level of benefits for single parents and disabled individuals. The government is committed to helping recipients attain greater economic self-sufficiency and, therefore, has decided to strengthen social assistance. (1989 Ontario Budget, cited in Bourdeau, 1999)

Improvements to social welfare in Ontario in the late 1980s and early 1990s had made the province a leader across the nation. The *Transitions* report of 1988 provided much of the impetus for reform measures taken by the Peterson and Rae governments in 1989 and 1991 respectively. The provincial government ignored most of the recommendations of its Advisory Group on New Social Assistance Legislation's 1992 report, *Time for Action*.[14] Already reeling from the 1991-92 recession, the last gasp of progressive policy measures by the Rae government were modest increases in welfare rates (2 percent increase in the basic amount, and 6 percent for shelter costs) implemented in January and July of that year (National Council of Welfare, 1997: 54).

Policy discourse of the variety associated with the *Transitions* era is unheard of ten years later in Ontario and elsewhere in the new industrial world of late twentieth century capitalism. Changes in the aftermath of the 1990-1993 recession firmly established fiscal austerity as a necessary principle of social reform. In 1991-1992, social welfare expenditures in Ontario, Alberta and B.C. were badly hit by massive reductions in federal transfer payments resulting from the "cap on CAP".

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[14] This report called for an end to mandatory job search requirements, benefit rate improvements tied to market basket costs, less local discretion in special benefits, and $214 million in employment supports in housing, education, child care, counselling and training (National Council of Welfare, 1997: 54).

In May 1992, the Minister of Community and Social Services announced the hiring of an additional 450 welfare workers to reduce caseloads per worker, save money through redirecting eligible applicants to appropriate federal programs such as unemployment insurance and Canada Pension Plan (CPP) benefits. New hirings were deemed necessary in order to realize program savings, of which half ($150 million) was to come from diversion of applicants to federal programs and half ($150 million) was to come from reducing eligibility and fighting welfare fraud.

In August 1992, the government brought in a measure referred to as the STEP "notch", which required new social assistance recipients to remain on the system for three months before they were eligible for employment supports. As noted by the National Council of Welfare,

> The rule change caused financial hardship for thousands of new welfare households, single people and families, which saw their welfare cheques drop by a dollar for each dollar of work income during their first three months on welfare.[15]

As early as mid-1992, it became clear that social assistance policy was under attack by the pincer effects of a severe recession, over $1 billion in welfare-related costs resulting from the federal cap on CAP, and a government seeking to disentangle itself from its social and electoral base in order to better govern in the 'provincial interest'. In a February 3rd, 1993 speech to Ontario Institute for Studies in Education, Ontario Premier Bob Rae "vowed to fix welfare so it would no longer pay people to sit at home", and indicated that he shared Bill Clinton's goal to "end welfare as we know it" (National Council of Welfare, 1997: 55-56).

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[15] *ibid.,* p.55

Evidence of the provincial government's capitulation to neo-liberal and workfarist pressures in social policy was found in the Ministry's July 1993 *Turning Point* report. The only concrete result of this report was the introduction of the JobLink program for training and employment supports, joint federal-provincial ideas didn't survive the first meeting (National Council on Welfare, 1998: 57). This shift was related to the culmination of internal factors as well as external pressures. Byron Sheldrick examines the narrowing of state representation of actors, including social assistance recipients and anti-poverty activists (and their associated policy communities) that resulted from the 'post-Keynesian' or 'neo-socialist' turn in social policy formation under the NDP government in Ontario (Sheldrick, 1998: 38).

Provincial research conducted by the Institute for Social Research at York University for the NDP government in the early 1990s found that social assistance recipients experienced serious economic hardship. To the surprise of no one in the advocacy community, social assistance recipients were found to be in desperate circumstances and doing everything they could to get out of that situation. An appreciation of this point was built into the SARC Transitions report in 1989. As noted by the Ontario Federation of Labour in a 1998 statement to the provincial hearings on Bill 22:

> During the (SARC) public hearings we heard overwhelming
> evidence that the vast majority of social assistance recipients would
> be willing to take advantage of any opportunities provided them to
> help achieve self-reliance, without being compelled to do so.

Contrary to the 'welfare bum' myth, the York study indicated that welfare recipients are engaged in active job search, training, volunteer work, working part-time and occasionally working full time. Lengthy histories of dependence on social assistance are another myth. The majority of SARs have recent work

histories and marketable skills. The average length of time spent on social assistance is about 3 - 4 months when labour markets are good. Many welfare recipients had lost their jobs in the last round of economic restructuring. The research found no basis for the myth of intergenerational welfare dependency. Employable SARs, including many single parents, were also doing whatever they could to get off social assistance.

This remains the case in the current hard times faced by the welfare-poor underclass. Comparative research consistently shows that the vast majority of employable welfare recipients desperately want and need work and, when labour market conditions are good, eventually find it through their own means. This is an important theme of the regional and provincial qualitative research on experiences of social assistance recipients within Ontario Works, one which runs counter to the central 'welfare myth' deployed throughout the ideological state apparatus in order to legitimate spending cuts.

In spite of this research, the April 23, 1993 expenditure control plan announced by the Finance Minister made significant cuts to welfare spending. The 1993 Expenditure Control Plan of the Ministry of Finance put into place a number of measures over 1993-94 aimed at cost reduction and cost containment in the welfare system. Some of the forms were a reduction in the amount of exempted income from employment, the denial of assistance to immigrations whose relationships and sponsorships had broken down, and the inclusion of new asset exemptions (life insurance policies and accumulated home equity) (Sheldrick, 1998: 45).

By considering previously exempted financial assets such as life insurance policies, interest earned on liquid assets, and increased market value of homes, the government further curtailed effective program eligibility. At a time when

record numbers were on welfare due to a lack of employment opportunities, this measure contributed to deepening poverty. Further to this, the government sought to remedy the 'injustice' of welfare incomes to the working poor, who received less from working than they would under the STEP monthly earnings exemption. In spite of the fact that the STEP notch had created the problem for the non-social assistance working poor in the first place, the exemption was cut by $50 to $55 a month.

Early into its mandate, the NDP government replaced existing structures of representation in social policy design, based on anti-poverty and other community groups at the local and provincial levels, bringing it under the control of the Premier's Office and the Ministry of Finance. The processes of consultation for MCSS's *Turning Point* document were limited in both their scope and the opportunity for community input. As noted by Sheldrick, "social assistance was envisioned as a mechanism for achieving labour market adjustment and increased competitiveness" (Sheldrick, 1998: 37). In and of itself, the significance the demise of the CAP and its replacement by the CHST for workfare policies in Ontario was perhaps overstated. Equally important to the development of workfare in Ontario was the Opportunity Planning program initiated by the NDP during Bob Rae's tenure as premier. Opportunity Planning represented part of the shift in social policy towards meeting new labour market policy objectives in response to the challenges of globalization in Ontario.

The Social Assistance Reform Project, headed by Nancy Naylor of the Ministry of Community and Social Services, spearheaded the legitimation effort for the *Turning Point* proposals. An 'informational session' held in September 1993 in Toronto, providing one of a few opportunities to welfare groups for 'public comment' in response to the government's vague proposals, was structured so as not to address questions on the details of proposed welfare reforms. Instead,

Naylor only was prepared to note comments in the form of 'statements' about what different groups would like to see (Sheldrick, 1998:50). As a process of legitimation, the process was ultimately unsuccessful, alienating the social base of the governing party in the anti-poverty and trade union movements. As noted by Sheldrick (1998), following an earlier argument by Mahon (1977) on the 'unequal structures of representation',

> Consultation exercises employed by bureaucrats can produce long-lasting representational patterns. Such exercises do more than simply provide empirical data for policy matters, but rather they are also an important mechanism for integrating oppositional groups into a particular hegemonic balance. Social groups become organized around a particular policy framework while, at the same time, they are provided a mechanism for advancing their claims against the state and against other groups. (Sheldrick, 1998: 51)

Caseloads continued to climb in 1993, eventually surpassing 12 percent of the province's population, the highest level out of all the provinces in that year (National Council of Welfare, 1998: 57). In March 1994, the province announced an 'enhanced verification' system aimed at further rooting out welfare fraud, hiring 270 investigators. The government estimated that this initiative would result in savings of $60 million in the first year (MCSS 1994; cited in Sheldrick, 1998: 46). In June 1994, welfare rates were cut for all two-adult households by $27. The province also spent more efforts in fraud investigations and other cost-containing measures were actively pursued. Fortunately, the job picture had also begun to brighten, with unemployment falling by 60,000 in 1994.

The 'opportunity planning' model first proposed in *Transitions* provided the basis for 'employability enhancement' programs with a similar design principle, but in a political and economic climate characterized by welfare state retrenchment. Policy proposals such as 'opportunity planning' were eschewed by many groups throughout the *Time for Action* report consultation, in favour of

meeting material needs based on a "market basket" of basic goods and services and the extension of the decommodified sphere in public welfare provision (Sheldrick, 1998: 53). In spite of these pressures from anti-poverty groups and social policy communities, the NDP government proceeded to internally restructure the Ministry of Community and Social Services (MCSS) in order to integrate social policy with economic policy objectives.

An important example of this was the change in the name of the "Family Services and Income Maintenance Division" to the "Social Assistance and Employment Opportunities Division" in 1994. Divisional responsibilities were also significantly altered. The mandate of the Family Services and Income Maintenance Division was the "development of programmes and policies with respect to income maintenance, family support and child care". The mandate of the Social Assistance and Opportunities Division added the review of "employment programs . to ensure that social assistance recipients are provided with opportunities for training, skills development and employment. The division is also responsible for policy development related to employability issues for social assistance recipients and persons with disabilities" (Sheldrick, 1998: 56).

Due to labour market improvements associated with economic recovery, unemployment dropped from 604,000, to 547,000, to 501,000 over 1993-95. Yet the public pressure for reducing dependence on welfare continued unabated. In October 1994, the provincial government released a report, *Managing Social Assistance in Ontario: Finding the Problems and Fixing Them*, documenting cost-control measures taken to date. The flavour of the report was certainly not that of the previous *Time for Action* or *Transitions* view of social assistance and its view of welfare recipients were characterized by the focus on problems of 'fraud', 'work disincentives' and the importance of a 'tough love' approach.

The 1995 federal budget froze all transfer payments to the provinces for 1995/96 and reduced funding beginning in 1996/97 under the Canada Health and Social Transfer (CHST). The federal government also ended its 50/50 cost-sharing of social programs, thereby eliminating the entitlement to social welfare based on need (CCHRCOC, 1999). Additional cuts in transfer payments under the CHST, which in 1995 reduced transfers in Ontario to a level of $14 billion, proved difficult for the province containing Canada's industrial heartland.

Welfare-to-work reforms were initiated by the Rae government in the early 1990s, prior to the introduction of Ontario Works by the Harris government. In the context of recession and the cap on CAP, the Rae government's 'third way' version of workfare associated with Opportunity Planning (Sheldrick) provided much of the model of the "broad" (social assistance) and "narrow" (Community Participation) reforms of the Harris government. In many ways, the Opportunity Planning program launched by the Rae government in the second half of its mandate was a workfare program fully in line with an emergent regime of 'full employability'.

These changes were notable, and happened in the shadow of recession and the fiscal crisis of the provincial government, beginning the process of reversing the gains of the 1980s and early 1990s. The Peterson government's review of social assistance, associated with progressive liberal reforms of social assistance, relative economic prosperity, and rising social assistance caseloads in the 1980s had suggested a more effective and humane system as the best way forward. Given the choice between a neo-liberalized social democratic party and a consistently conservative and pro-tax cut alternative, the citizens of Ontario voted in a majority government on July 8, 1995 that campaigned on a ticket of 'putting welfare recipients to work' and 'mandatory work-for-welfare'.

Ontario Works: Welfare Reform under the Harris Government

While the NDP government did reduce benefit rates and tighten eligibility, and further integrated social policy making with economic policy objectives, the Harris government introduced massive and unprecedented cuts to social services, beginning shortly after coming into power in 1995. The appeal to workfare, or 'making welfare recipients work for the cheque' without being paid by an employer, was a central part of its electoral appeal. In its 1995 election campaign material, the Progressive Conservative Party of Ontario stated that:

> "The Harris program is mandatory workfare (that would) require
> able-bodied recipients to enrol in work or training programs in
> return for benefits. (Social assistance recipients will be) getting
> up in the morning with their peers and going off to work."

The single most significant attack in the post-war era on welfare recipients by the provincial government occurred when the Harris government announced cuts to social assistance benefits by 21.6 percent in July 1995, to take effect in October. The government's Minister of Community and Social Services, David Tsubouchi, held a press conference to, among other things, issue a 'welfare diet' of $90 a month, or S3 a day for single persons on welfare. Other changes that were brought in showed the seamy underside of Tory family policy: the reinstatement of the 'spouse-in-the-house' rule cutting single mothers off of FBA if they are alleged to be living with a man (even though not a spouse or common law partner), and in the case of women separated from their husbands where caseworkers determined that there was a 'possibility' of reconciliation.[16]

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[16] See Ontario Federation of Labour. "The Common Sense Revolution: 449 Days of Destruction", p. 6. Single mothers have been an especially targeted group of welfare recipients. The impact of 'consolidated verification' (the transfer of pre-existing FBA beneficiaries to Ontario Works) on single mothers and their children was particularly pronounced, as this was the single largest group affected by the elimination of the Family Benefits Act. According to the Ontario Social Safety NetWork (1998: 7), "the Ministry seems to be cutting off as many women as possible before transferring the rest to Ontario Works".

Upon coming to power, the government announced an immediate reduction in public spending of $1.9 billion for 1995/96, of which $469 million were to be taken out of the pockets of welfare recipients, excepting seniors and the disabled. Special relief to municipalities with high welfare caseloads and the JobsOntario program were discontinued. Social service agencies funded by the province were hit by a 2.5 percent cut in 1995/96 with a five percent cut slated for 1996/97 (National Council of Welfare, 1997: 59). New eligibility restrictions were also introduced. Persons aged 16 and 17 were targeted, as were employable workers who quit or were fired from their job. The latter were disqualified from applying for welfare for a period of three months (previously this was one month), and the former required to be in school and have special reasons for living apart from their parents.

In the September 1995 Throne Speech, the emphasis was on two items: a 30 percent provincial income tax cut and workfare, which was to be introduced in the spring of 1996. Earnings exemptions for welfare recipients were also raised to a level equal to welfare rates prior to the 21.6 percent cut. For families on welfare, lost welfare income could not be earned back to the same level as the new exemptions did not take family size into account. As a result of criticism in the media from welfare groups the government introduced retroactive exemption adjustments for family size two months later (National Council of Welfare, 1997: 60-61).

In October 1995, the government announced that it would cut $772 million in additional government spending. MCSS had its budget reduced by $127 million, JobLink funding was cut by $46 million, and social services agencies lost $43.5 million in provincial grants. An additional $2.6 million cut to battered women's

shelters, and the elimination of funding for the Ontario Association of Interval and Transition Houses on the first day of Wife Assault Prevention month signalled the government's willingness to put some of the most vulnerable citizens in the province at risk.

The province also introduced a welfare fraud hotline (or 'snitch line' in the language of the anti-poverty groups), implemented in order to save taxpayers an estimated $25 million a year in welfare 'fraud' (mainly overpayments). After logging 18,655 calls alleging welfare 'abuse', the government reduced payments or sanctioned off the rolls only 1,267 cases, for an estimated savings of only $8.6 million (National Council of Welfare, 1997: 61).

There were also massive cuts in funding to municipalities, schools, hospitals, universities and colleges, estimated in the Finance Minister's *1995 Fiscal and Economic Statement* to reduce provincial government spending by $5.5 billion by the end of the 1996-97 fiscal year. This offloading of costs onto local institutions and municipal governments would further increase costs to local taxpayers and/or users of these public services.

In its *Welfare Incomes 1996* report, the National Council of Welfare noted that all of the improvements in income and benefits achieved in 1989 and 1990 had been lost, with real welfare incomes peaking in 1992. By 1996, welfare incomes were at the level of about 10 years previous (National Council of Welfare, 1997b: 59). By mid-2000 people on welfare receive 27.5 percent less than they did in 1995, when adjusted for inflation and subsequent cutbacks (Ontario Coalition for Social Justice, 2000). Reductions in social welfare payments for all persons and households receiving GWA in October 1995 meant that non-subsidized tenants were compensated for the unprecedented increase in their income spent on housing.

Since that time, the provincial government has extended its "tough love" approach by eliminating the pregnant mother's allowance and other such minor financial benefits and Christmas bonuses for families, and introducing a wide range of mandatory programming for beneficiaries and their dependents. This list in Ontario now includes mandatory basic skills training in high school level reading, writing and mathematics; mandatory parenting courses for teenage parents on welfare; mandatory drug testing and treatment for welfare recipients with addictions; and a 'zero-tolerance' policy for welfare fraud.

The *Social Assistance Reform Act* (Bill 142) established two new streams for social assistance, replacing the *General Welfare Assistance Act*, the *Family Benefits Act*, and the *Vocational Rehabilitation Services Act*. These are the *Ontario Works Act* and the *Disability Support Program Act*. All these acts had become law by January 1998 and a further piece of legislation, an *Act to Prevent Unionization with respect to Community Participation under the Ontario Works Act, 1997* (Bill 22), was brought into force in May 1998, passing on its third reading in October 1998. The new legislative structure of social assistance and workfare required a complex set of regulations which were in effect on May 1, 1998, over six months after the *Social Assistance Reform Act* had received Royal Assent.

The Social Planning Council of Ottawa-Carleton, in its <u>Presentation on Bill 142</u> to the Standing Committee on Social Development, noted the following regarding alterations in rights of citizenship sanctioned by the provincial government:

> We are concerned that the underlying message communicated through the legislation is that welfare recipients are less than citizens. The legislation increases the protections to government, to taxpayers, to landlords, and others, while it reduces protections to individuals on assistance (e.g. increased information requirements, finger-printing, and reduced rights to appeals, etc.) This approach

appears to be based on the belief that recipients of social assistance give up certain rights of citizenship when they turn to social assistance. (Social Planning Council of Ottawa-Carleton, 1997)

One of the new powers established by Bill 142 was that social workers responsible for determining eligibility and compliance with welfare regulations are now "deemed to be engaged in law enforcement for the purposes of the Freedom of Information and Protection of Privacy Act". The rationale for these increased policing powers of social services officials to enter homes with search warrants, and to investigate personal employment and banking records, was the prevention of welfare fraud. Bill 142 also authorized the fingerprinting of welfare recipients, eliminated avenues of appeal of welfare decisions, and liens against the property of welfare recipients, including housing and automobiles.

Both Ontario Works and the Ontario Disability Support Program reduce eligibility by reducing the allowable assets of applicants and the existing caseloads. Participation requirements in Ontario Works have been extended to include parents of school-age children and persons aged 60 to 64. The new regulations also barred entire groups of persons from entitlement to social assistance, such as parents with young children and post-secondary students during summer months.

In the words of the Ministry for Community and Social Services, Ontario Works "eliminates the province's costly two-tiered delivery system by creating one system for delivering welfare at the municipal level. In addition, the (Ontario Works) Act requires all able-bodied people on welfare, including single parents with children in school, to participate in Ontario Works, the government's mandatory work-for-welfare program".[17]

Ontario Works covers income maintenance and programming for all the social assistance recipients who were formerly classified under 'employable' General Welfare Assistance (GWA) and those who are consolidated into Ontario Works due to reduced eligibility for the Ontario Disability Support Program (ODSP)[18]. There are three components to the Ontario Works program: Employment Supports, Employment Placements and Community Placements. The focus of the original research in Chapter Four is on Community Placements, the most advanced departure from the old income maintenance model of social assistance within the KWS.

'Activation' principles behind the creation of the identity of the welfare recipient as 'participant', and the new approach of the "hand up, not a hand out" (a slogan of the Conservatives' Common Sense Revolution campaign) framed much more ambiguous changes to the welfare system in Ontario. For example, the changes made in provincial social assistance legislation post-1964, prior to the Ontario Works Act, included an active job search requirement for 'employable' welfare recipients. Some of the basic ideas behind the newer workfare reforms are, however, in contradiction to pre-existing social policy realities.[19]

The 'deterrence' principle is not new to the system under Ontario Works, but it is somewhat more pronounced. Individuals have also been cut off from social assistance for various reasons prior to Ontario Works. The active requirement for 'participation' in unpaid activities, activities that generate potential benefits

[17] MCSS 1998-99 Business Plan, pg.7.

[18] This also includes those previously receiving benefits under the Family Benefits or Occupational Rehabilitation programs. At the time of this writing, the government continues to administer some programs that provide more substantial resources to participants, such as Supports to Employment (STEP) and Community Start-Up monies.

[19] In Ottawa-Carleton, the JobLink and Opportunity Planning programs, somewhat more voluntary workfare programs established in the NDP government's mandate, were already proven to experience significant welfare savings while being oversubscribed by employable welfare recipients, with supply unable to keep up with demand. In such a light, the mandatory requirement for workfare becomes questionable.

for organizations and not only the recipient, entails an important shift in the social policy framework for what constitutes grounds for disentitlement. This coercive aspect runs the gamut from 'community participation activities' within Ontario Works to the broader 'workfarist' framework.

It should be apparent that when this research refers to the workfare *program* in Ontario in the post-OWA period, the reference is to the mandatory requirement for Community Participation within Ontario Works (i.e. workfare in the narrow sense). The particular mixture of consent and coercion for individual cases within the delivery of this program is an important dynamic in workfare as a *social relation*. This social relation is framed by contingency and specific experiences. Ontario Works has been implemented at a particular time, characterized by a progressively improving job market. Contradictions in workfare and the link between social policy and employment/employability will likely be much more evident in the next economic downturn.

The lower costs of social reproduction through reduced government transfers and the reduction of the overall welfare caseload (even if per participant costs are growing) are a fundamental part of the government's justification for Ontario Works, as with workfare policies elsewhere.[20] Workfare policies generally aim to reduce the scope of income maintenance and employability enhancement,[21] promoting work as the normative foundation of social policy. Workfare, as it is presently implemented in Ontario, has both 'broad' and 'narrow' components. This 'broad' component is found in the 'rapid labour market entry' role of Ontario Works, relying on a mixture of disincentives to social assistance and mandatory job development (Mitchell, 1996).

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[20] This is particularly the case with U.S. workfare schemes, such as W2 (Wisconsin), Work Experience Program (New York City), and many others. See Piven and Cloward (1993).

The policy emphasis in Ontario Works is on the promotion of the "shortest route to paid employment", and "accountability to the taxpayer". The original campaign statement by the Conservatives was that a Mike Harris government would require "all able-bodied welfare recipients – with the exception of single parents with young children – either to work or to be re-trained for their benefits".[22] Workfare is not a continuous requirement, involving six month placements up to a maximum of eleven months at a particular placement, and only when the training is for a specific job. Single parents with children are a large part of the new Ontario Works caseloads, and a major budgetary consideration is the cost of daycare to pay for programs for the largest component of the long-term caseloads. Once brought in, the new system (Ontario Works) stipulated a number of new and pre-existing activities as part of an 'activity plan' for the individual recipient to choose between or be processed into. For most social assistance recipients in Ottawa-Carleton, the new system was remarkably similar to the old one, expect that it was more restrictive, coercive, onerous and bureaucratic.

The 1997 Ontario Works Business Plan for the Region of Ottawa-Carleton specified a number of 'service pathways' within Ontario Works. These included the Assured Support Pathway and the Employment Pathway. The Assured Support Pathway was established for sole support parents, people in residential care, people with disabilities, the aged, and clients with multiple barriers to employment, who are not required to participate in Ontario Works. This pathway also was to cover the costs of supplementary and special benefits, homemaking services, and child care needs for these groups. The Employment

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[21] That is, (i) to reduce public expenditures by limiting outlays on state-subsidized education and training, child care, and other employment supports: (ii) to reduce welfare eligibility: and (iii) to reduce welfare rates. These measures cannot increase employability, but can reduce welfare caseloads.

[22] Amdur, Reuel S., "Why the workfare program is failing", *Ottawa-Carleton Citizen*, 6 January 2000.

Pathway was established to require regular job search for the first four months,[23] while providing voluntary access to employment support services, or education and training activities that were self-initiated (Ottawa-Carleton Ontario Works Business Plan, 1997: 12).

After four months in this pathway, the Employment Supports component established compulsory participation in soft skills development programs, resume writing groups, daycare supports, and limited basic training investments (e.g. ESL/FSL programs). Employment placements were an additional option, requiring registration with an employment agency or support to self-employment for some workfare participants. Upon successfully placing an individual on welfare into a paid job, these employment brokers were to be paid by the municipality's allocation under the Ontario Works business plan.

In the May 1, 1998 regulations for Ontario Works, mandatory participation requirements were brought into effect for new and pre-existing social assistance beneficiaries. New applicants were required to sign a 'participation agreement' with the caseworker as a condition for receiving income assistance. (The old process, as defined in the original Ontario Works business plan, was that this would only occur after four months of independent job search.) The new process, as described by MCSS, is as follows:

> When you apply for welfare, you will be asked to develop a
> Participation Agreement with your caseworker showing what steps
> you will take to find a paid job ... For the first four months after you
> start receiving welfare, the Ontario Works program expects you to
> look for a job on your own, to look for a job with the help of
> Ontario Works or to get some basic education such as English or
> French language training. This will be outlined in your

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[23] It is notable that this regulation already applied to welfare caseloads prior to the introduction of the new system. Given the high turnover in welfare caseloads during periods of employment growth, the impact of the initial regulations on the overall existing caseloads was minimal.

> Participation Agreement . . . If, after four months of looking for a
> job, you don't find one, your caseworker may refer you to a job-
> finding program, to a community placement, to an agency that will
> try to place you in a job or help you start your own business or to a
> basic education or training program. You will have the opportunity
> to discuss which of these options will best help you get back to
> work. (MCSS Website, February 2000)

The regulations introduced unprecedented change in provincial and regional
welfare systems, further increasing the already-existing program of inefficient
technologies, increasing caseloads per worker, and onerous case management
practices. The processing time for new applicants to social assistance increased,
and the complex administration required for the range of new program
components, such as Community Placements, raised the per capita costs of
program administration.

The government has enthusiastically promoted the benefits of work-for-welfare
in its communications strategy. In 1998, politicians from the governing party
took credit for reducing the welfare rolls by 357,000 since coming into power.
The numerical reduction of welfare caseloads was achieved owing to a variety of
circumstance and with differing outcomes, but very few (if any) of the positive
outcomes for social assistance recipients were creditable to the government's
workfare initiatives. In combination with a generally improving labour market,
the coercive aspect of the government's welfare reforms were clearly meant to
discourage applications for social assistance and reliance on income and social
supports. As the economy improved, beginning in 1994, the provincial
government pointed to a number of studies showing that around 60 percent of
persons leaving social assistance had found paid employment. Given economic
conditions, concerns about outcomes for the other 40 percent of the population
removed from the welfare rolls without finding paid work have been
emphasized by opponents of the Harris government.

While the provincial government sometimes seeks to establish the promotion of employability as the ideal goal of Ontario Works, it is more frequently portrayed as a strategy to promote employment. Program 'success' could mean reduced numbers of people on welfare, increased employment, increased employability, or all of the above. Whether through deterrence, red tape, sanctions, arbitrary treatment, or gaining a paid job in an improving labour market, the government claimed credit for the fiscal payoff.

> Between 1995, when the government began its fundamental reform of the welfare system and March 31, 1999, more than 374,000 people stopped relying on welfare. Last year alone, the Ontario Works caseload dropped by 14 per cent. In the last three fiscal years (1996-1997, 1997-1998 and 1998-1999) welfare reform saved taxpayers a total of approximately $5 billion. (MCSS 1998-99 Business Plan, p.7)

By the end of the 1990s, it was clear that the government was making some inroads in its workfare agenda, although still considerably short of its original stated goals to make every able-bodied person do unpaid work in return for their welfare cheques. The new social assistance delivery framework had many ways of defining 'participation' in Ontario Works, including most of the pre-existing activities used by social assistance recipients and their dependents offered prior to the Harris government's 1995- reforms.

New discourses of workfare often make reference to program 'success'.[24] At the heart of the matter of workfare, in both theory and practice, is that what is considered to be 'success'. If 'success' is defined in terms of reducing welfare caseloads, workfare may or may not be successful. Paradoxically, the requirement for a large and wholly arbitrary proportion of Ontario Works

participants to be active in the Community Participation component, when counted as part of the welfare caseload, may actually increase the average time spent on social assistance. This is particularly so if no suitable jobs are available, relevant training and other employment supports cannot be accessed, or if mandated activities impede a real job search.

John Ibbitson, a columnist for the *Ottawa Citizen*, in an article on the implementation of workfare in Ontario opined that the Harris government had discovered that it is much easier to eliminate old programs and services than to build new ones. The uneven and partial implementation of workfare in municipalities across Ontario suggests that the program has met with little success when measured against government performance targets vastly exceeding realities. The provincial government, through business plans negotiated with local governments, set local performance targets for participation in Ontario Works. In the first Ontario Works Business Plan for Ottawa-Carleton these targets resemble a bad five-year plan, with unrealistic expectations set from above by the new workfare commissars.

The following quotes from provincial and municipal officials highlight some of the challenges and tensions involved in actual policy implementation: [25]

> Alf Spencer[26]: "If you put someone in a placement where they don't want to be, I don't know how that could be successful. I don't know how it could be successful for the client and I don't know how you'd keep employers, whether for-profit or not-for-profit, interested."

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[24] In Chapter Four, existing qualitative research on Ottawa-Carleton-Carleton and the Province of Ontario is combined and an extended analysis of qualitative data conducted.

[25] Notes on this section are from John Ibbitson. "Whatever happened to workfare? Mike Harris promised to make people work for welfare. But almost no one does. What went wrong?" in the *Ottawa Citizen*, August 10, 1998. The article is based on interviews with welfare managers and recipients in Ottawa, Toronto, Hamilton, Kitchener-Waterloo and North Bay, and presents some important statistics on targets and achieved levels of participation in community placements from regions across the province.

[26] Alf Spencer is a senior welfare manager in Hamilton-Wentworth Region.

Phil Johnston[27]: "The rhetoric around Ontario Works is that you are on Ontario Works from Day One. (In fact) most of our caseload turns around before the four months business kicks in. They're technically in Ontario Works, but they're operating independently."

Don McCarthy[28]: "These programs only work if the client wants to participate and the placement will help the client obtain skills and experience that will lead to a job."

Dick Stewart[29]: "I would be the first to say that in many circumstances it is a paper exercise."

In stark contrast were the comments by provincial officials:

Bob Richardson[30]: "The intent was, clearly, that people should be working for welfare. The intent was clear and the message was clear, and quite frankly it was very successful at that time with the Ontario electorate."

Janet Ecker: "It's a major, fundamental shift from a system that was worried more about handing out a cheque, quite frankly, than in saying 'how do I get this person a job'."

Janet Ecker: "We talked about a whole range of things, that included literacy, numeracy, counselling, personal presentation, marketable skills training, all kinds of stuff that had to be part of it."

Janet Ecker: "(Welfare is) a transitional program of last resort."

Janet Ecker: "(Ontario Works is) tougher and more detailed in terms of 'is this person eligible'."

There is nothing more powerful than a good anecdote for public relations and social marketing efforts. In its reports and communications on the Ontario Works program, the government presents a two-sided approach to the implementation and legitimation of its welfare reform agenda. These different arguments represent, in some ways, communications strategies that end up continually

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[27] Phil Johnston is Commissioner of Social Services in Waterloo Region.
[28] Don McCarthy is the Placement Co-ordinator for Ontario Works for the regional government's social services department.
[29] Dick Stewart is the Commissioner of Social Services in Ottawa-Carleton.

redefining 'workfare'. When the Progressive Conservatives ran on a mandatory work-for-welfare and tax cuts electoral campaign in 1995, they targeted welfare recipients as scapegoats for the fiscal crisis and have continued to do so when convenient (using terms such as 'beer money', 'dependent' and 'welfare mother'). Coercive forms of social regulation were maintained and expanded, although the government's own information (echoing the results of the earlier York study commissioned by the predecessor NDP government) suggests that the vast majority of employable social assistance recipients want nothing more than a paying job. Welfare reform remained an important objective of the Harris government in the early part of its second mandate. Apart from the electorate in general, the provincial government is also engaged in a battle for the 'hearts and minds' of workfare-eligible social assistance recipients. The Consent to Promote form, signed by many participants, is one of the tactical tools at the disposal of the government, in the legitimation of its program.

This battle for the 'hearts and minds', however, does not extend to allowing workfare workers to organize industrially or collectively, as already noted in the review of post-1995 policy changes. In a May 14, 1998 press release, Community and Social Services Minister Janet Ecker, in commenting on the proposed Prevention of Unionization Act, stated that

> We've listened to people on welfare who want to get back to work
> and they've told us Ontario Works is benefiting them and their
> community. We're not going to let those union representatives
> prevent us from helping people on welfare get back to work. We're
> on the right track and we are determined to move forward.
> (Government of Ontario, 1998a)

The *Prevention of Unionization Act (Ontario Works), 1998* amended the *Ontario Works Act* to eliminate the applicability of the *Labour Relations Act, 1995* to

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[30] A provincial official with MCSS.

"community participation activity" (New Section 73.1 (1), *OWA*). This provision became effective May 1, 1998, although the Act did not receive Royal Assent until later in 1998. In addition to repealing the *Labour Relations Act* for welfare recipients engaged in workfare activities, the *Prevention of Unionization Act* explicitly prohibits the following on the part of any person "with respect to his or her participation in a community participation activity" (New Section 73.1 (2), *OWA*): (i) join a trade union; (ii) have the terms and conditions under which he or she participates determined through collective bargaining; or (iii) strike.[31]

'Workfare' is a contested term, often involving contradictory conceptions of social reality and frequently distanced from the lived experience of welfare/workfare. Certainly, the rhetoric associated with the populist argument in favour of workfare is 'against' someone – namely the 'lazy' or 'shiftless' welfare recipient and their family dependants. In other, more developed conceptions, there is occasional agreement as to what constitutes the reality of life on social assistance on the part of some workfare advocates. A positive message is more likely to have hegemonic appeal. The rhetoric of the more nuanced argument in favour of workfare is also at great pains to establish itself as *for* paid employment, skills development, the work ethic, the family ethic, etc. (Richards, 1995).

The dominant policy narrative of welfare/workfare/work foregrounds getting people 'jobs' is also due to the fact that most people in receipt of social assistance desperately want jobs, independently of the question of how badly they and their

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[31] Incursions on the rights of workers to organize or bargain collectively became evident early on in the then-new government's legislative agenda, firstly with Bill 7 and later, with Bill 136. Bill 22 can be read as part of this agenda. The provincial government's remedial legislation. Bill 22 ("The Prevention of Unionization Act"), was the result of a Conservative party oversight in committee hearings on Bill 140 (*Social Assistance Reform Act, 1997*). Employment-related protections, including the applicability of the Industrial Relations Act to community placements, were included due to a proposed amendment proposed by an NDP member that passed in committee while a Conservative MPP was sleeping. The idea that

families are remunerated by welfare. Participation in workfare programs is indeed often voluntary, and related to the individual needs of participants. This is so because, even without a mandatory requirement, people on social assistance have typically sought to participate in programs that they felt would improve their employability. This becomes particularly the case in periods of increasing employment opportunities, such as that which happened to follow the introduction of workfare in Ontario and in Ottawa. In such an environment, programs are less likely to be oversubscribed due to lower welfare caseloads, and more suited to particular needs, interests, and goals.

It thus became essential for the government to shift discourse away from 'punishment' towards 'help', in line with the lived realities and new identities of social assistance recipients. This can be seen in the announcements and press releases from Community and Social Services Ministers Janet Ecker and John Baird post-1996. The discourse of help ("a *hand up*, not a hand out") that the government employs in describing Ontario Works claims to involve the promotion of the *autonomy* and *self-reliance* of people dependent on welfare. Who could be opposed to increased autonomy and self-reliance for persons on social assistance? Yet the very project of neo-liberal welfare state reform threatens the autonomy and self-reliance of the individuals and families affected, while these properties help constitute the discursive strategy used in legitimating welfare state restructuring.

Over the course of its first mandate (1995-99), the Harris government shifted its discursive tactics in support of the 'workfare' agenda, moving away from victimizing and scape-goating welfare recipients to press releases supporting individual welfare recipients' initiatives in finding work. This change involved

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workfare workers might be involved in anything other than a 'community participation activity' was anathema to the government.

fostering divisions among the government's opponents by accusing unions of meddling in its plan to help social assistance recipients find gainful employment. As a part of this broader strategy, the government sought the testimonials of 'reformed' social assistance recipients.

This communications strategy was aimed not only at the general public, but also at the specific identities of 'taxpayers', 'workers' and 'welfare recipients' among that public, and clearly evinces a 'divide and rule' tactic, as well as the construction of a new hegemony around work, employment and home relationships. While the discourse is indicative of regressive changes in social citizenship, it is also engaged in the challenge to construct a viable active labour market policy for social assistance recipients. This state project requires the mobilization of many components of civil society in support of a new 'order of things'.

This presentation of the 'kinder and gentler' face of workfare represents an important change in the government's communications strategy around Ontario Works, which actually goes quite a bit further than the 'tough love' communication strategy of the government in its election campaigns. A major part of the provincial government's strategy in promoting Ontario Works has been achieved by stressing the 'kinder and gentler' side of workfare, i.e. volunteerism. Although these particular stories within the 'voluntary-mandatory' continuum may be clustered around the voluntary end, they are still worth examining in terms of their strategic implications for workfare as actual policy.

The collection of individual workfare success stories is mandated in the Ontario Works regulations for municipalities. The bureaucratic mobilization of bias in the gathering of 'success stories' makes it imperative that social movement

organizations expose workfare practices that threaten the dignity and even the lives of persons on welfare through 'real life stories'. The need to look at all sides of the story is essential to gaining a truly critical perspective.

The following are some examples of the provincial government's Ontario Works 'success stories', which are evaluated according to how they contribute to social and economic problems and solutions with respect to matters of poverty and unemployment:

> In southern Ontario, a man was offered an opportunity to participate in a community placement with co-op housing doing maintenance work. The manager of the co-op was very impressed with his skills. After three months, the Board of Directors at the co-op made an attempt to find money in its budget to hire a person for their maintenance staff. The co-op manager recommended the Ontario Works participant. The participant is now employed full-time at the co-op and receiving a full benefits package.

In this example, the organization expanded its employment through its valorization of the up-front labour contribution of the community placement worker. The fact that scenarios used to promote the Community Participation program are very infrequent, such as those rare occasions where community placements are eventually taken on as full-time workers with benefits, matters little to their deployment by the provincial and municipal governments.[32]

> In Southern Ontario, a business failure and medical setback resulted in an individual turning to welfare. While on Ontario Works, the participant was matched to a position requiring excellent communications skills, knowledge of computers, e-mail, Internet and web page design. Once in this position, the participant wrote proposals to agencies for funding to create a paid position. Successful in this effort, the Ontario Works participant was hired

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[32] It is important to recognize that this particular placement 'success story' supports the government's objective of promoting paid employment. It should also be recognized that paid employment strategies are also a possible component of a broader counter-hegemonic strategy. This position has been taken by local welfare defense organizations that have attempted to organize unions for workfare workers.

full-time three months after joining the agency. The agency
subsequently created a new Community Participation placement
within the organization -- an assistant to the original participant.

This strategy attempts to demonstrate how workfare placements are used to
increase *employment* and to help bridge the community organization funding gap
for participating agencies. Through proposal writing, the agency was able to get
a grant and, through the community placements program, was able to get
another workfare placement. There are other important aspects of this story,
however, relating to the economic nature of this employment-creation
framework. The first is that the state assumes all of the risk that the productivity
of the workfare worker, a risk guaranteed in the employment contract (or the
non-employment contract established by Bill 22) is assumed by the workfare
worker. The second is that workfare is used as a recruitment strategy, increasing
the precariousness of non-standard work by creating a period of pre-
employment contracting at zero cost to the employment. Where the original
participant becomes employed by the organization, the labour market reality
quickly comes to resemble a pyramid scheme.

An Ontario Works participant in southern Ontario was matched
with a community placement in a local church. As Property
Manager, the participant completed maintenance and cleaning
activities in the church under the supervision of a member of the
board. The board member was very impressed by this participant's
dedication and work ethic and was willing to act as a reference for
him. Using this reference the participant was able to secure full-
time employment in the private sector in a distribution centre.

One of the important rationales for workfare used by the government refers to
this strategy of increasing *employability*. The importance of job references and
work experience, as part of a strategy of increasing employability, is an
important trend in reasons for volunteering, according to local and national-level
studies. Another of the examples cited reflects the strategy of increasing

employability, but also underlines one of the important failings of this strategy in terms of the fairness of employability within informal labour market institutions, i.e. 'networks' and 'contacts':

> A father of eight on welfare in Northern Ontario started out as a labourer doing general tasks around the Minor Ball Park. He networked with others at the park and solicited suppliers for donations to assist with his various projects, demonstrating a great deal of initiative, commitment and dedication. At his urging, his placement was extended so that he could take on the role of crew foreman. During this time he also voluntarily coached a team. Through contacts he made at the ballpark, the participant learned of and applied for a job in his community. He was successful and is now employed full-time in the mining industry.

The fact that the work experience gained by the participant through working for the Minor Ball Park had nothing to do with the kind of employment eventually secured raises the question of whether the placement was a factor at all. Pre-existing statistics on turnover in general welfare caseloads demonstrate that a large proportion of welfare recipients already leave welfare for work after only a few months.

'Self-directed' community placements are a crucial element in the marketing of the provincial government's workfare strategy. Above all, a 'self-directed' placement cannot be considered coercive in the general sense of the term. This 'success story' shows a combination of the 'network' insertion strategy and the 'job experience' insertion strategy at work:

> A self-initiated placement in a school in Eastern Ontario has led to full-time employment for an Ontario Works participant. Helping the teacher in a classroom setting, the participant not only gained experience but, more importantly, established valuable contacts. She learned of a position as a Teacher's Aide with another school within their community. With the experience gained through her placement and references in hand, she applied for full-time work

and eventually accepted full-time paid employment with the school board.

There is also a 'training', or 'learnfare' component to certain 'self-directed' placement 'success stories'. A number of agencies that are involved in training and education programming exist in the non-profit sector, which creates other, more structured agency-participant matches, a problem which is taken up below.

Often, 'success stories' may happen independently of the workfare framework. Workfare requirements may delay or even prevent successful independent job searches that the vast majority of employable social assistance recipients would otherwise be engaged in. The following 'success story' is an example of this kind of scenario.

> After many years working in a seasonal position in the food services field, an Ontario Works participant wished to pursue a new career direction that would allow her to be employed year round. She determined she would like to work in the field of fitness and recreation. Since no placement existed that met the participant's career goals, she took the initiative and set up her own placement with a non-profit fitness organization, where she became involved in many of the training activities available to full-time staff and gained knowledge of potential employment opportunities. After a short time with the placement, the participant left to accept paid employment in her career area. The agency has since agreed to sponsor additional community placements.

Workfare is also called upon to fulfill social/health intervention work in the area of 'building self-esteem'. Yet, even here, social policy is reduced to the objective of removing "barriers to employment".

> An Ontario Works participant who initially had a number of barriers to employment, including low self-esteem and limited work experience, identified an area of interest and was placed as a

cook's assistant at a local facility. The placement provided her the
opportunity to build her confidence and skills as well as to develop
employment networks which helped her secure a position at a local
donut shop.

Workfare at the Crossroads: 1999-2000

In 1999, the Ontario Works administration was consolidated, and a second
attempt to reinvigorate the workfare program was launched by the provincial
government.

> Ontario Works is now up and running across Ontario. This
> program gives people on welfare the opportunity to develop skills,
> make contacts with potential employers and give something back
> to their communities. Participation rates increased from 50 per cent
> to 85 per cent by December 1998. As of March 31, 1999, more than
> 590,000 people participated in one or more of the program's
> activities designed to help them get back to work. (MCSS Website,
> 30 November 1999)

Contradictions emerge in the ongoing efforts of the government to shore up
'workfare' and the Ontario Works program. The small proportion of welfare
recipients that have participated in community placements and job placements to
date implies that the workfare targets established by the province in negotiation
with the municipalities are already subject to 'implementation failure'. The
provincial government announced in late 1999 that municipalities who did not
meet their 15 percent Community Participation target would be penalized
through reduced Ontario Works funds while those who exceeded it would
receive additional funding. The government also stated that it would be raising
this target to 30 percent by 2002.

The structuring of workfare policies in Ontario at the local level is based not only
on agreements signed between local governments and the province, but also on

the particular history of local social policy delivery and advocacy. That means that *local* labour markets, as well as community agencies serving more of a private welfare function, are a part of the institutional fabric that makes the implementation of workfare possible. Reforms within the federal-provincial social security state also cannot be isolated from their effects on the community-based, informal and voluntary social support systems. Local politics, not only at the level of local structures of representation, but at the level the community-based social services sector, other community agencies and other non-profit organizations, matter in determining the 'governability' of workfare. Indeed, these community agencies can potentially be viewed as part of the extended local workfare state.

Many social policy observers have found the Harris government's workfare program a failure, succeeding only in redefining the previous welfare regime, and making it more punitive. In July 1998, CSS Minister Ecker claimed that 378,000 people have participated in Ontario Works, but according to municipal statistics, only a small fraction of these were doing unpaid community work or approved training ('learnfare').[33] The vast majority of 'participants' were in the 'independent job search' stream of OW. Independent job search is not a new requirement for employable SARs, predating welfare reform under the Harris government. In June 1998, there were only 482 training placements and 153 community workfare placements out of an OW-eligible pool of 7,627 SARs in the Waterloo region. In Ottawa-Carleton, only 240 of a population of about 24,000 OW-eligible SARs, or about one percent, were in community placements.

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[33] The ignorance of many Conservative MPPs and even cabinet ministers about the realities of Ontario Works program administration was typified by the new Minister for Community and Social Services, John Baird (Nepean-Carleton). In his first major press conference, he could not say how many of Ontario Works active caseloads participated in unpaid work in the community in order to receive their welfare cheque, which was widely reported as about 5 percent of the welfare caseload across Ontario.

Community Placements Caseloads and Targets, Selected Ontario Municipalities, 1999-2002

Municipal Delivery Agent	Caseload Mandatory Requirements Avg. Oct-Dec 98	1999/2000 (Targets at 15%)	2000/2001 (Targets at 22.5%)	(2001/2002 Targets at 30%)
Hamilton-Wentworth	9,483	1,422	2,134	2,845
Kingston	3,552	533	799	1,066
London	10,640	1,596	2,394	3,192
Niagara	6,011	902	1,352	1,803
Ottawa-Carleton	22,732	3,410	5,115	6,820
Peel	6,651	998	1,496	1,995
Sudbury	5,065	760	1,140	1,520
Toronto	67,696	10,154	15,232	20,309
Windsor	5,047	757	1,136	1,514
Total – Ontario	**200,923**	**30,138**	**45,208**	**60,277**

Table 3.2 *Source*: Compiled from MCSS, Ontario Works Bulletin for Ontario Works Administrators. November 1999

The realities of Community Placement program administration are remarkably varied across the province, raising new questions about basic flaws in the program design. New investments by the provincial government in the expansion of municipal workfare, such as through the Community Placements Investment Fund, have generally meant more earmarked dollars for social services - retraining costs, technology upgrades, job development and marketing staff, etc. This has been especially pronounced relative to dollars supporting actual workfare placements in terms of requirements for child care, educational materials, costs for job equipment and clothing, etc.

The government has experienced many different kinds of 'implementation failure' with its workfare program. Eight native bands in Northern Ontario refused to participate in Ontario Works, and launched a million-dollar lawsuit against the province charging that the provincial government lacks the sovereign authority to impose workfare, based on their 1965 treaty with the federal and provincial governments. Implementation failure is also reflected in the fact that

training and employment opportunities are located hundreds of miles away in places like Timmins and Kapuskasing, far away from native reserves.

A number of northern municipalities have also become quite dependent on provincial workfare money. In Timiskaming, with an average monthly OWA caseload of 534 over October to December 1998, 468 were in the Community Placements program, a placement rate that was 548 percent over target. Given lower employment opportunities in these regions, the promotion of workfare is most likely a strategy to maximize revenues from the province tied with the Ontario Works funding formula.

CP Targets and Achieved Levels, Selected Ontario Municipalities, 1999/2000

Municipal Delivery Agent	1999/2000 Targets at 15%	1999 Achieved Levels	Achieved/Target
Hamilton-Wentworth	1,422	809	57%
Kingston	533	426	80%
London	1,596	319	**20%**
Niagara	902	210	**23%**
Ottawa-Carleton	3,410	507	**15%**
Peel	998	1369	137%
Sudbury	760	635	84%
Toronto	10,154	7501	74%
Windsor	757	208	**27%**
TOTALS	**20,532**	**11,984**	**58.4%**

Table 3.3 *Source:* MCSS Website, December 1999

According to Community and Social Services Minister John Baird, community placements have not been a high priority for municipalities because "we give them the money anyway".[34]

Cities and towns are currently expected to find work for 15 percent of their inhabitants on welfare. Only Simcoe County has consistently operated above that level. The government is aiming to raise the target level to 30 percent. Municipalities that continue to fail to meet their workfare targets are to receive

less Ontario Works funding. Municipalities that exceed this target will get more money; others will get less. Municipalities in compliance (the ones that reach their targets) will be rewarded and non-complying municipalities are penalized. Municipalities are likely to do everything possible to keep costs down while meeting provincial targets. This results in 'creaming'— selecting people who are willing and interested in employability and training who are most employable – and drying up the resources for those who need them the most.

Ostensibly, Ontario Works participants have a range of options to choose from, only one of which is the CP program. A good example showing how the implementation of workfare has acted to constrain individual choice under Ontario Works is found in the system of quotas set by the province. The provincial government set an increasing percentage workfare target for its 'local service delivery agents', rising from 15 percent in 1998-99 to 30 percent for 2001-02. While individual participants have some 'choice' in their 'employability pathways', this choice is increasingly constrained as local quotas are enforced by provincial funding differentials, and the targets – the required percentage of Ontario Works caseloads in Community Placements – are increased. Local welfare bureaucracies are forced to fit more and more people who are not best suited to Community Placements as a route to employment into the program, weakening the position of the recipient in negotiating a desired 'pathway'.

Both core and performance bonus financing of local welfare offices from provincial government source is tied to the ability of the 'municipal delivery agent' to meet performance targets. While politicians and bureaucrats in Ottawa-Carleton have challenged the government's interpretation of CP program targets as being good performance indicators for employability, they still must implement the Ontario Works program or keep losing their relative

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[14] CBC Radio News. November 17. 1999. 3:00pm

level of funding. This means that pressures come to bear on individual welfare recipients administered through local welfare offices.

Prior to the introduction of Ontario Works, there also were obligations on social assistance recipients to look for work or participate in employability programs. Available employment support programs were often oversubscribed when they were deemed to be useful to meeting the employment objectives of social assistance recipients. Many social assistance recipients also volunteered for community agencies that they were involved with as clients. Given these pre-existing conditions, the punitive concept of mandatory work-for-welfare emphasized by the Harris government in both of its electoral campaigns was out-of-step with the actual realities of social assistance recipients and thus eventual program implementation. The realities of the government's 'workfare' program were modified through negotiations with the municipalities to include greater choice for social assistance recipients in the Ontario Works stream in which they would participate, in negotiation with local welfare officers, in order to meet their employment goals.

In a mass public information mailout by the Government of Ontario in June 2000 ("Making Welfare Work"), the government released figures showing that the number of cumulative CP placements more doubled from 13,464 in June 1999 to 30,198 in March 2000. More recently (May 2000), the provincial government has quietly loosened monitoring of social assistance recipients under the CP program to further boost their participation statistics. Other restrictions, such as the length of time spent in a particular 'placement activity', have been eliminated. To some, this has meant that the CP program no longer even slightly resembles mandatory work-for-welfare, but a grab bag of a variety of activities engaged in by social assistance recipients well before the introduction of the program. To others, including the few active anti-workfare organizations, the struggle against

the CP program continues in the anticipation of worse labour market conditions and higher caseloads. In any event, the numbers game is also used to bolster the credibility of the government's workfare program.

Conclusion

The impossibility of 'full employment' within the existing macroeconomic framework provides the basis in crisis of the 'full employability' paradigm. The argument made by Mitchell (1996) of workfare as a 'fast labour market (re-)entry" program is viewed as in fundamental contradiction to enhanced employability through the human capital development approach that is a requirement for any sustainable 'full employability' paradigm congruent with post-Fordism.

The contradictions of workfare in Ontario have now been explored in general, comparative and historical terms. In comparative perspective, the U.S. and U.K. experiences with workfare were considered, along with the global turn to 'workfarism'. The U.S. subsection considered the experiences of the States of Wisconsin and New York, where particular contradictions and lessons learned through experience are also noted, providing evidence for crisis tendencies of workfare in theory.

The historical origins of the institutions of the post-war social order, in relation to the Canadian model of development ('permeable Fordism') were then examined. A discussion of the KWS and Fordism underlined that full-time/full-year employment regime and the importance of the 'family wage'. Fiscal policy used as a lever to balance out employment and income. The origins of Unemployment Insurance (Marsh Report, White Paper on Income and Employment) in the 'reconstruction' welfare state aiming to balance social investment and

consumption are discussed. Institutions of the KWS, particularly UI, were based on social insurance principles tied to the concept of full employment. This provides an important example for consideration of the impact changing conditions within existing structures, with reference to several historical examples. One was the brief reintroduction of workfare in Ontario following the 'Diefenbaker recession' of 1958, but the national hegemonic consensus was strongly anti-workfare, and the Department of Health and Welfare shut down the province's initiative.

UI and the Canadian Assistance Plan (CAP) were critical components of the 'permeable Fordist' KWS. The Canadian unemployment rate has tended to climb higher and higher over successive business cycles since the early post-war period, a phenomenon of ratcheting-up sometimes referred to as the 'unemployment staircase'. Increasing unemployment created pressure on the UI system, leading to a rising proportion of employable social assistance recipients. Resolution of the shift from Fordist KWS to post-Fordist SWS as involving a related shift from 'full employment' to 'full employability' was based on the emerging contradiction between full employment and price stability experienced during the 1970s. The existing macroeconomic framework at that time led to rising unemployment and increasing UI expenditures. The possibility of full employability solving the problem of assurance of labour force productivity by encouraging the adoption any available job at any or no job rate by every means necessary is put forward.

Changes in the labour market are considered along with the polarization of (state and market) incomes from the 1970s to 1990s in Canada. Research indicating how the market gap minimized by the redistributive role of the KWS, a role now under attack, is presented. Polarization of the labour market and increasing contingent and precarious employment is seen to play a strong role in increasing

social as well as economic polarization. The conclusion is that market supremacy, or neo-liberal dominance of wage regulation, will lead to further income polarization and social unrest.

The story of the decline of full employment and rise of full employability in Canada was told in the chapter, with particular reference to the Canadian Jobs Strategy in the 1980s and a discussion of active labour market policy. These developments represented the beginnings of more of an economic policy orientation for social and labour market policy. Aspects of this story, including the 'four-cornered' agreements on training for employable SARs; federal-provincial restructuring; and interjurisdictional conflict as a spur further commercialization and devolution to stakeholders are covered. The contradictions of 'full employability' in the 1980s and 1990s in attempting to address aspects of the crisis of the KWS are also noted and partly elaborated. Comparative differences regarding active labour market policies in the OECD are noted, contrasting the case of Sweden and Canada. Active and passive labour market policy funding and implementation trends were surveyed, with the finding that in spite of increasing rhetoric around 'participation' and labour market 'activation', other fiscal priorities prevailing over both active and passive labour market measures.

This chapter noted that employability enhancement in the 1980s was voluntary, characterized by a high uptake of clients on various pilot programs and initiatives for employable social assistance recipients. The doctrine of 'mutual responsibility' is introduced in relation to developments in the 1990s. The introduction of reforms to Unemployment Insurance, and its renaming to 'Employment Insurance', as well as the introduction of block grants in Canada through the Social Security Review and the CHST are noted here. The declining ratio of beneficiaries to unemployed and ongoing experiences of denial of service

for increasing numbers of unemployed Canadians briefly acknowledged. In this institutional setting, reforms to social insurance in the 1990s are also surveyed, having a strong bearing on the context for Ontario Works and of the mandatory and punitive aspect of 'workfarism'.

The problems of the return to workfare in Ontario must be examined in terms of developments at the provincial level in the 1980s and 1990s. The massive changes in benefit rates across the provinces are documented and briefly discussed. Canadian variants of workfare, including the cases of New Brunswick and Quebec, are briefly surveyed. The differentiation between welfare-to-work and work-for-welfare programs in the Ontario setting is clarified in this chapter. The discursive aspect of 'workfare' is also discussed here, and the use of 'broad' and 'narrow' workfare in the Ontario context within the thesis is clarified. The historical context of workfare in Ontario is traced from its roots in the 'workhouse test' through to the experiments and neo-liberal strategies of the NDP government of Bob Rae, setting the stage for Ontario Works under the Harris Conservatives. Notable in this broad discussion is the context of the SARC *Transitions* report, the emergence of the Opportunity Planning model, and subsequent changes in the broad policy framework for social welfare program delivery.

The politics of the 'success' of work-for-welfare in Ontario, as interpreted and socially-marketed by the Harris government, is deconstructed in terms of individual success stories and the normative framework of a putatively hegemonic regime partially elaborated. Definitions of program 'success' are problematized, and the paradoxes and challenges for local policy implementation are surveyed. The focus of much the remainder of the section is on the communications strategy of the provincial government in promoting its 'success' to the electorate. The battle for the 'hearts and minds' of both the

electorate and of workfare-eligible social assistance recipients is contrasted, especially in light of the restrictions of organizing on-the-job with the passage of the Prevention of Unionization Act.

The ongoing attempt at expanding the CP component on the part of the provincial government, and ongoing disparities in the ability to meet or exceed targets are manifest across the province has both ended up redefining what is and is not workfare. The involvement of participating organizations as part of a nascent extended local workfare state is related to these developments. Data on increasing quotas and targets for workfare by municipality are analyzed, and the performance/expectation gap examined in the case of Ottawa-Carleton and selected municipalities for comparative purposes. Examples of local 'implementation failure' on the part of the provincial government are varied, including the successful appeal of native bands to their constitutional right to self-government in the courts, the redefinition of community placements activities to include unmonitored and self-directed placements, and the resistance of municipalities such as Ottawa-Carleton, which had the lowest placement rate as a share of its performance targets in 1998-99.

Chapter Four

The Implementation of Ontario Works in the Ottawa Labour Market

Introduction

Both the implementation of Ontario Works and resistance at the local level are unevenly developed across local jurisdictions, based on both labour market structures and conditions and the realities of local employability programming. Empirical data in this chapter is drawn from a number of access to information requests, including one done by the Ottawa and District Labour Council (ODLC) and one done by a member-organizer of Welfare Recipients for Fair Employment (WRFE). These data set the context for a discussion and analysis of what did and did not happen in Ottawa-Carleton as a result of the introduction of Ontario Works and the Community Placement program. This second section considers the relationship between Ottawa-Carleton and Ontario in the context of the 'hollowing out' of the Canadian federal state system, concluding that local autonomy in welfare policy has been undermined with the extension of provincial control.

This chapter describes processes of policy negotiation and implementation in Ottawa-Carleton, and provides a statistical profile of workfare targets and historical caseload data for the region. The various dilemmas and contradictions of the Ontario Works and particularly the Community Participation (CP) program component in Ottawa-Carleton are described and evaluated. The 'institutional contradictions' of the program as currently implemented and interpreted by various actors follows a profile of the occupational and social structure of workfare and of employers showing the degree and nature of

community sector involvement. Projects of resistance in Ottawa-Carleton need to draw on comparative lessons learned elsewhere, considering some general questions about social relationships and their theorization, as applicable to the political analysis of workfare and of modes of resistance.

A more detailed examination of a slowly emerging and evolving local workfare state in Ottawa-Carleton remains necessary. Differences in local conditions in which the CP program has been implemented suggests that certain strategies and participation schemes may be more successful in some places and times rather than others. Some local programming will end up costing the local and provincial governments more money and may also have detrimental results for workfare employers. It should also be noted that despite the diversity of 20 pilot projects around the province in 1996-97, the Ontario government has taken a strongly prescriptive role in defining the terms and conditions of policy delivery at the local level with the passage of the Ontario Works Act. Local strategies of implementation are increasingly related to local labour market characteristics and conditions. Local strategies of resistance are also relevant to the 'local conditions' for workfare implementation, as the program is dependent on local non-profit organization participation. There is thus a dynamic between implementation and resistance strategies.

When labour market conditions are characterized by low unemployment rates and medium- to long-term social assistance caseloads are shrinking, resistance projects based on collective self-organization of welfare recipients and/or workfare workers are less likely to constitute a threat to the prevailing policy regime and forms of interest representation in the state. Under conditions of expanded unemployment and greater social assistance caseloads, this situation could change as larger numbers experience the deprivations of present-day social assistance and are integrated into workfare based on percentage quotas to

be filled under the Ontario Works system. The challenges for the implementation of workfare in Ottawa, based on an orientation to local employment opportunities, are the pronounced knowledge gaps, lower than average and declining levels of EI coverage, and mandated activities for individuals who often receive less than subsistence incomes. The latter fact is particularly glaring in light of the overall prosperous economic conditions, and requires both resistance and community mobilization independently of the present scope of the problem.

Situating Welfare-Workfare in the Ottawa Labour Market

Unemployment Rate - Ottawa CMA, Ontario and Canada, 1987-1999

	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
Canada	0.088	0.078	0.076	0.081	0.103	0.111	0.114	0.104	0.094	0.097	0.091	0.083	0.076
Ontario	0.061	0.051	0.051	0.062	0.095	0.107	0.109	0.096	0.087	0.09	0.084	0.072	0.063
Ottawa CMA	0.07	0.047	0.057	0.051	0.068	0.081	0.08	0.076	0.095	0.08	0.087	0.062	0.063
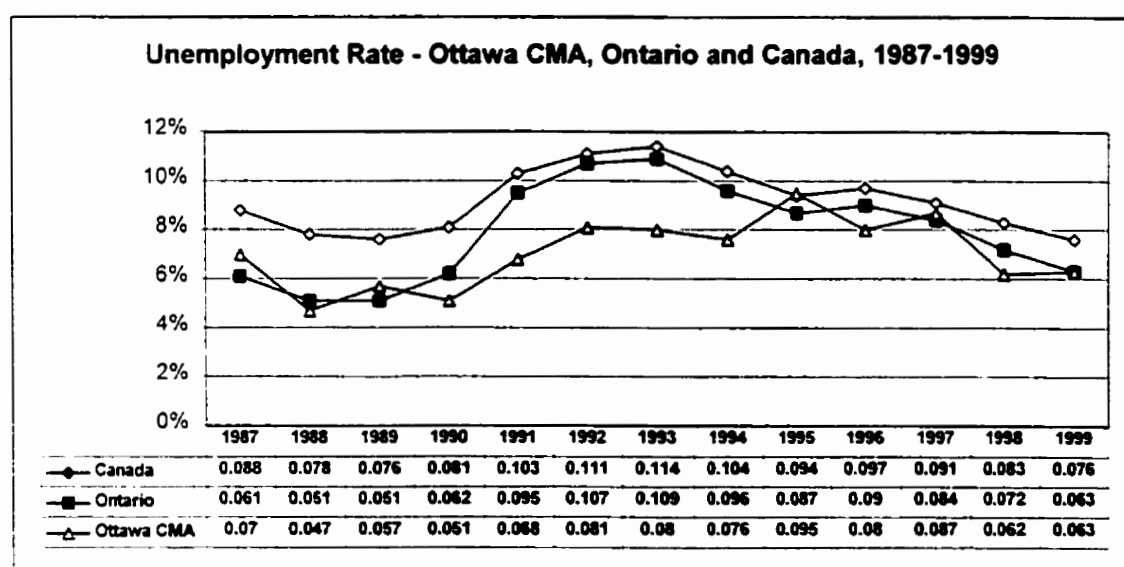
Chart 4.1 *Source*: Human Resources Development Canada, Eastern Ontario Area Economist's Office, unpublished data

Ontario is an undeniably wealthy province, and Ottawa-Carleton an undeniably wealthy locality. According to the 1996 Census, average household income in Ontario was $54,291, as compared to the national average of $48,552 in the middle of the decade. In Ottawa-Carleton, incomes were even higher, at $59,462. Nonetheless, Ottawa-Carleton has a high level of economic and social polarization relative to Ontario and the rest of Canada. Data on unemployment,

part-time work, and labour force participation show that the 1990s have been a period of significant change in Ottawa-Carleton.

Income in Ottawa-Carleton, Ontario and Canada, 1995

Income Measure	Ottawa-Carleton	Ontario	Canada
Average Census Family Income	$67,871.00	$59,830.00	$54,583.00
Average Household Income	$59,462.00	$54,291.00	$48,552.00
Average Individual Income	$30,993.00	$27,309.00	$25,196.00

Table 4.1 *Source*: 1996 Census

While unemployment has generally declined in the 1990s, this masks important labour market trends, including a declining participation rate, and many more individuals involved in precarious work and self-employment. There are many forms of hidden employment, which local studies have documented in the case of Ottawa-Carleton (Ottawa Economic Development Corporation, 1998). An important indicator of special relevance to the context for workfare in Ottawa-Carleton is the fact that the number of unemployed individuals volunteering increased to 38 percent of prospective volunteers registered with the Volunteer Centre of Ottawa-Carleton in the first seven months of 1998 (Social Planning Council of Ottawa-Carleton, 1999b).

Capitalist economies have periods of labour market *contraction*, characterized by increasing unemployment, precarious work and income insecurity, and labour market *expansion*, characterized by increasing employment opportunities and higher incomes. Not all benefit equally through increasing employment opportunities. New labour market entrants and other disadvantaged labour market groups have had continuous difficulties in the 1990s, with conditions only beginning to improve significantly for most workers in 1998-99. The Canadian economy may or may not sustain its current momentum, raising the spectre of an increasingly pronounced and volatile business cycle in Ottawa.

Those affected by job loss and deskilling over the course of economic downturns and periods of industrial restructuring do not immediately reintegrate into the expanding labour market.

In 1996, the average part-time/part-year employee earned $16,000 while the average full-time/full-year employee earned $43,887, a gap that is more pronounced in Ottawa-Carleton than in Ontario or Canada.[1] Local studies on the distribution of income by quintile have found that the gap between the rich and poor has grown, even while average incomes have also shown growth (Social Planning Council of Ottawa-Carleton, 1999). Recent data at the national level has shown an even more pronounced trend to polarization, with lower average family income quintiles experience both absolute and relative loss in the 1990s (Statistics Canada, 2000).

Employment Income, Ottawa-Carleton, 1995

Average Employment Income	Ottawa-Carleton	Ontario	Canada
Total	$31,563.00	$28,838.00	$26,474.00
Full-time/Full-year	$43,887.00	$40,281.00	$37,556.00
Part-time/Part-year	$16,000.00	$15,883.00	$15,538.00

Table 4.2 *Source:* 1996 Census

Part-time job growth, as well as growth in self-employment, is an important part of the regional employment picture. The single largest source of new part-time jobs in Ottawa in the 1990s was in the retail trade sub-sector, typically a source of low wage jobs for youth. In the business services industrial component, the dominant trend is in significant full time job creation. Secular and cyclical trends in the number and rate of part-time employment growth qualify the official count of the involuntary part-time workforce. Particularly robust job growth in

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[1] See Ottawa-Carleton Training Board. 1999 Environmental Scan. Conclusion #8.

the region in recent years appears to have actually begun to reduce the numbers of part-time workers as well as the self-employed.

More than half of new jobs created over 1991-96 (34,528) were in the high technology sector, predominantly in managerial and professional positions (Regional Municipality of Ottawa-Carleton, 1997a). 78 percent of the jobs over this period were part-time, equated with lower earnings and greater job insecurity. Approximately half of those engaged in part-time work since 1981 were seeking full time work (ibid.). The high levels of educational attainment in the region are seen in Census statistics which show the proportion of the population with a university degree was twice as high as the average for Ontario (Social Planning Council of Ottawa-Carleton, 1999a). Conversely, almost half of new social assistance recipients in the 1990s did not complete high school.

Overall labour market conditions in Ottawa-Carleton in the late 1990s are strong, even while new inequalities are developing within existing labour market structures. Employment and income are unevenly distributed and becoming increasingly segmented among groups and classes of worker. The impact of workfare and the subordination of the social welfare system to the labour market affects individuals and families in the future, as in the present. As labour market conditions deteriorate in the next economic downturn, present structures may be undermined by dramatically worsened conditions. Labour market conditions and economic expectations affect the popular support base (or lack thereof) for a social safety net, because of the ongoing importance of employment income in the division of the social product. This has important repercussions for workfare in its relationship to the labour market in Ontario and in Ottawa-Carleton.

In its *Ottawa Metropolitan Outlook* (1999), the Conference Board of Canada forecasted strong growth in the gross domestic product (GDP) of the regional

economy through to 2003. The 2000 *Outlook* for Ottawa projects the highest GDP growth rate in the country at over 6 percent, compared to 4.3 percent for its nearest competitor, Toronto. Metropolitan Ottawa's economic performance will likely show one of the highest rates of GDP and employment growth in Canada in the next few years, projected to grow above an annual average of 3 percent over 1999-2001 in the 1999 *Outlook*. The consumer price index (CPI) also showed moderate growth throughout the 1990s, indicating regional and national price stability. These are good times for many, even if 'hard times' for others.

The impact of market-based strategies is manifested in an increase in labour market segmentation and greater polarization both across and within localities. Labour market demand for the working-age population in Ottawa-Carleton will eventually peak, and the next downturn may well precipitate unprecedented levels of unemployment in the region. Depending on how this downturn is managed by federal, provincial and local governments, workfare as presently designed will reinforce crisis tendencies and potentially undermine incomes in components of the local labour market. This becomes particularly so in workfare-participating organizations, such as within the community and social services sector, that have been hit by significant losses in funding. Here struggling employers may attempt to 'do more with less' by dramatically increasing their intake of unpaid workfare placements, replacing laid-off paid employees.[2]

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[2] By the latter 1990s. the community agency sector in Ottawa-Carleton. a relatively prosperity locality in Ontario. had been severely hit by provincial funding losses (Social Planning Council of Ottawa-Carleton. 1998c).

Social Assistance and Labour Market Programming in Ottawa-Carleton

**Welfare Caseload and Total Employable SARs,
January 1986 - July 1997 (All Districts)**

— TOTAL CASELOAD — EMPLOYABLES
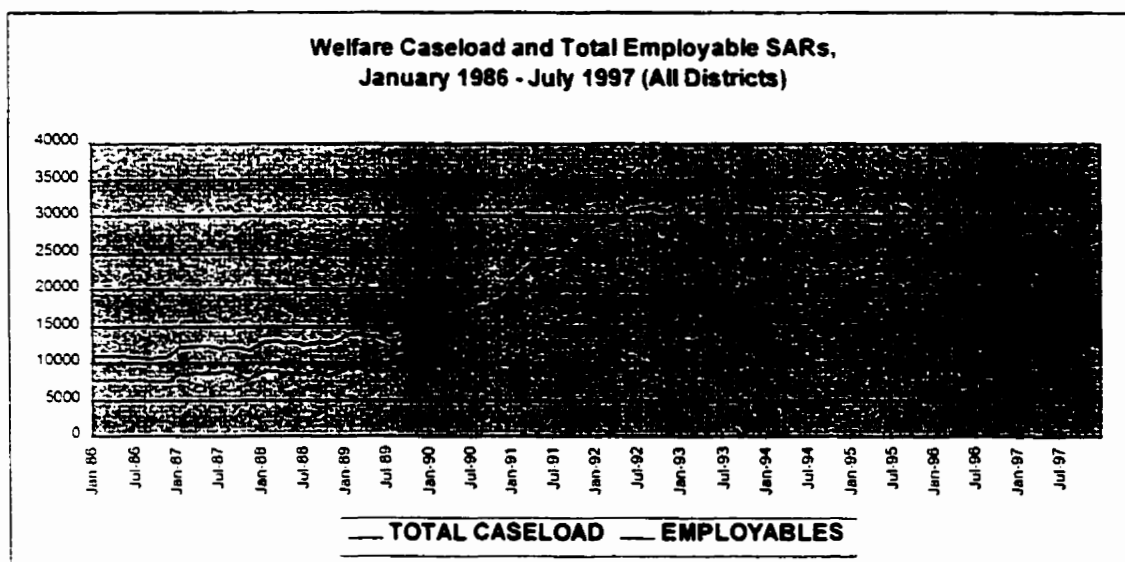
Chart 4.2 _Source_: Social Planning Council of Ottawa-Carleton, unpublished data

Welfare caseloads grew rapidly in Ottawa-Carleton as elsewhere in Ontario in the early 1990s. Not all of this growth was due to increasing unemployment, although labour market conditions are a primary factor. Demographic change and an increasing number of unemployable welfare recipients are also important, especially throughout the early part of the 1990s.

Changes in the number of monthly caseloads over the 1986-97 period shows increases in the total population of employable SARs, although proportional growth in the number of unemployables is also important. An important long-term trend, seen over the 1981-83 and 1990-92 recessions, is a shift from a population that was mostly unemployable to the converse, dipping slightly in 1981 and again over the 1991-93 period. Historical caseload data from 1986-1998 shows that roughly one-quarter of the total unemployables caseload are families.

Employable and Unemployable SARs in Ottawa-Carleton, 1976-1997
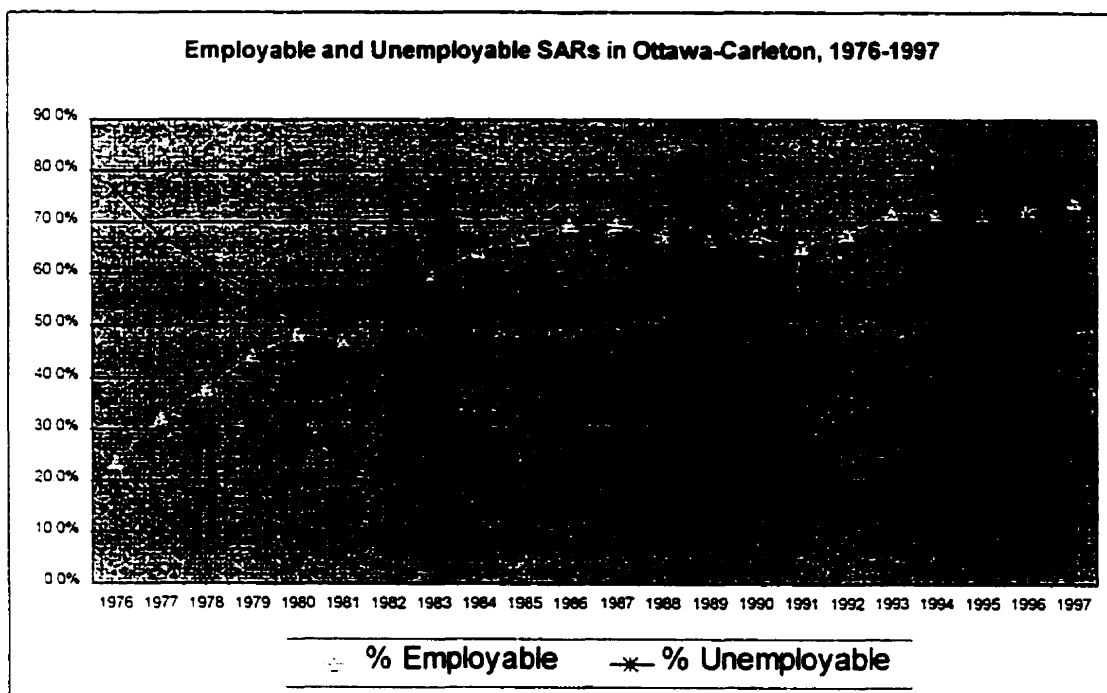
Chart 4.3 _Source_: Social Planning Council of Ottawa-Carleton, 1986; Social Planning Council of Ottawa-Carleton, unpublished data.

There was a marked increase in the proportion of the employable population in the social assistance caseload in Ottawa-Carleton over the 1976-1997 period. From a low of 23.7 percent in 1976 to a mid 1980s peak of 69.9 percent in 1986, the proportion of employables dipped slightly to 65.5 percent in 1991 before rising to a new peak of 74.2 percent in 1997. Unemployment insurance trends over this period provide an important reason for why a program of last resort became a more prevalent form of income maintenance for employable workers.

Beneficiaries to Unemployed (B/U) Ratio, Ottawa CMA, 1987-1997
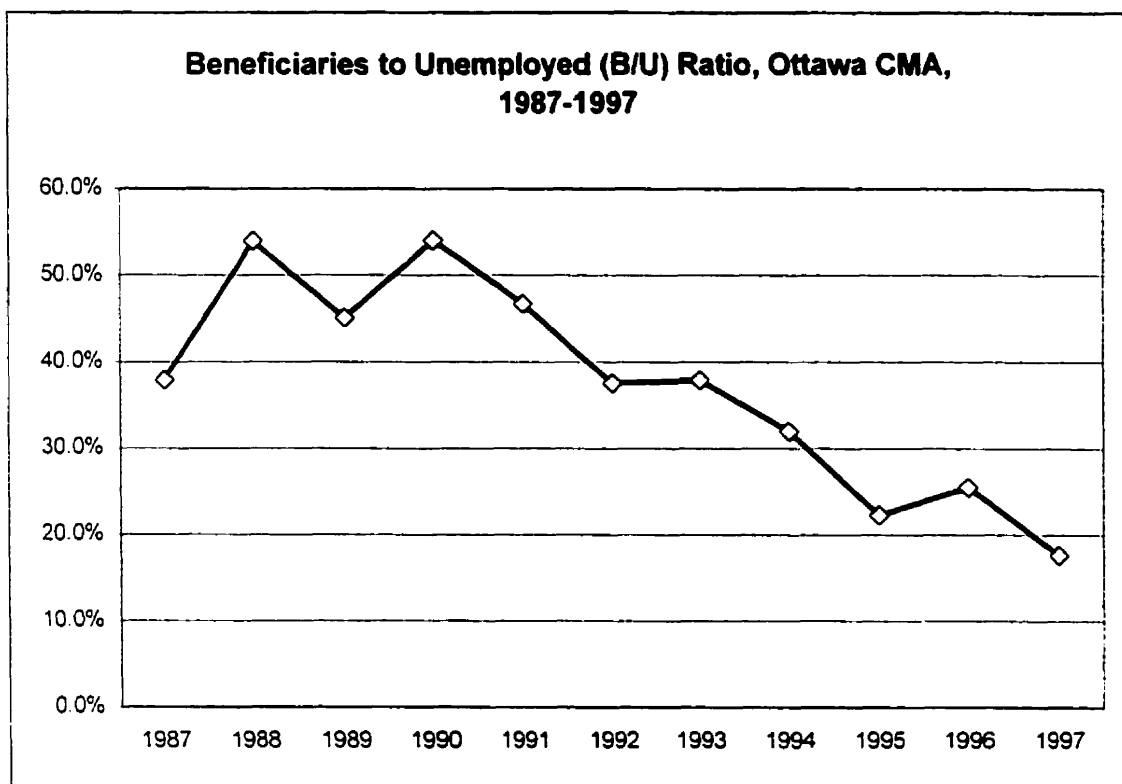
Chart 4.4 *Source*: Human Resources Development Canada, Eastern Ontario Regional Office, unpublished data (beneficiaries); Statistics Canada, *Labour Force Survey*, unpublished data. Note: The geographies used in this calculation are not perfectly comparable across all years.

Even given the orientation of federal labour market programming, less and less unemployed persons were able to access these programs and services. The proportion of unemployed persons receiving UI/EI benefits has fallen dramatically in the 1990s, reflecting the declining eligibility and changing forms of the employment contract. According to HRDC, a declining ratio of beneficiaries to unemployed (B/U ratio) can also be the result of upturns in economic cycles and flexible labour markets (Human Resources Development Canada, 1997). A 1999 study by HRDC found that women's EI claims dropped by 20 percent compared to 16 percent for men, while youth claims fell by 27 percent compared to only 8 percent for workers aged 45-54 over the 1997-98 period.

Monthly Regular Active EI Claimants, Five Major Occupational Groups with Largest Number of Claimants, July 1996 - August 1999
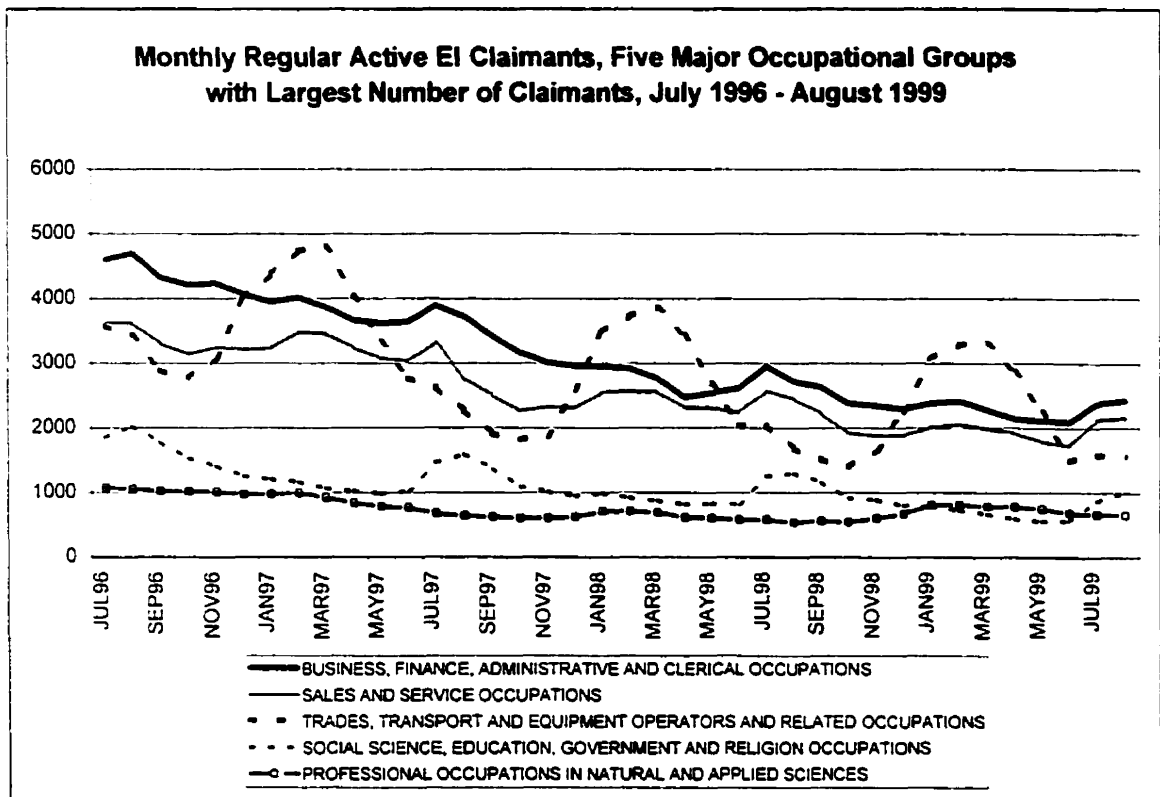
Chart 4.5 _Source_: Human Resources Development Canada, Eastern Ontario Area, unpublished data

National data and local data on the B/U ratio show similar trends, but different ratios. Locally, both _A Tale of Two Cities_ and _Plain Speaking: Hope and Reality_ of the Social Planning Council support the national research on a declining trend in the proportion of beneficiaries to unemployed. According to the Labour Force Development Strategy for Ottawa-Carleton report by the Caledon Institute of Social Policy (1998), there has been a dramatic drop in the percentage of unemployed individuals in Ottawa-Carleton who received UI in 1989 (87.3 percent), compared to those who received EI in 1997 (41.7 percent). In another study by the RMOC, _Partners for Jobs - Task Force on Employment Final Report_, the B/U rate was estimated to be even lower. In 1997, only about 19 percent of unemployed persons received EI in the Ottawa CMA, down from 27 percent in

1996. The study also noted an average duration of unemployment of six months. In March 1999, there were 10,690 EI beneficiaries in the Ottawa CMA.

Decreasing eligibility for EI, increasing precariousness in the labour market, the growing importance of knowledge-based work, and low incomes for part-time and part-year workers are important components of the local context for welfare-workfare. The 'knowledge-intensive' character of production in Ottawa has led to rapidly-growing demand for education and skills-intensive professional, scientific and managerial staff, and provided a strong base for regional development. At the same time, those marginalized by the draconian shifts in federal and provincial government policy are finding the gap between their own situation and that of the cream of the local labour market moving completely beyond sight. Many of this former group are also 'invisibilized' through the practices of marginalization.

Government policies may actually worsen the knowledge and skills gap in particular localities such as Ottawa-Carleton. During 1997/98 to 1998/99, Ottawa-Carleton (Area Six) experienced MET/MTCU funding cutbacks, while there was a slight overall increase province-wide. Most pronounced were cutbacks of over 50 percent in planned 1998/99 service levels for Literacy and Basic Skills (LB&S) in Ottawa-Carleton.[3] In 1998-99, MTCU cut the L&BS service target in the Ottawa-Carleton area to a level of half that of the previous fiscal year. In part this was attributable to one-time restructuring costs, but was also due to the targeting of services towards employability and MTCU's assessment of Ottawa-Carleton as an over-serviced area.[4]

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[3] See OCTB 1999 Environmental Scan – Conclusion #9.
[4] See OCTB 1999 Environmental Scan – Conclusion #5.

In 1998, HRDC was restructured into four "core business lines": (1) employment insurance, (2) human resources investment (HRIF), (3) income security programs, and (4) labour programs.[5] Some of the most important of HRDC's 'performance indicators' are related to the EI program. Human Resources Investment (HRI) performance indicators include a target of 55,714 for "EI Clients returned to Employment" and a target of $254,430,000 in "Unpaid Benefits" for the 1998-99 fiscal year in the Ontario Region. Targeting selection and planning for existing EI claimants within the overall "jobs and savings" strategy has reduced claimant numbers, shrunk services, and displayed discrimination in access to services based on ease of labour market integration. HRDC also modified some of its monitoring activities under the guise of fighting 'EI fraud':

> The focus on savings may also direct our targeting and selection activities towards EI recipients in high demand occupations and EI abusers.
>
> While claimants will be eligible for employment benefits, those who are early in their claim may be targeted in order to reduce the draw on Part 11 funds.
>
> Along the same lines, while assisted services are available to unemployed persons, the need to demonstrate savings to the EI account may influence the selection within the targeted groups for assisted services towards active claimants.
>
> We move from servicing 'most in need' to helping as many clients as we can with the least amount of investment and the highest likelihood of success.[6]

[5] See Human Resources Development Canada. Business Plan 1998-99 - Ontario Region (Appendix A - Key Performance Indicators). Ottawa: Human Resources Development Canada. 1998.
[6] ibid.

Part I, Section 5 of the *Canadian Human Rights Act*, on proscribed discriminatory practices, states that: "it is a discriminatory practice in the provision of goods, services, facilities or accommodation customarily available to the general public (a) to deny, or deny access to, any such good, service, facility or accommodation to any individual, or (b) to differentiate adversely in relation to any individual" (453). Section 5(b) was cited by the Unemployed Workers Council of Toronto as being violated by the changes in Employment Insurance administration.

Implementation of Ontario Works in Ottawa-Carleton

OWA Participation Agreements, October 1997-July 1999
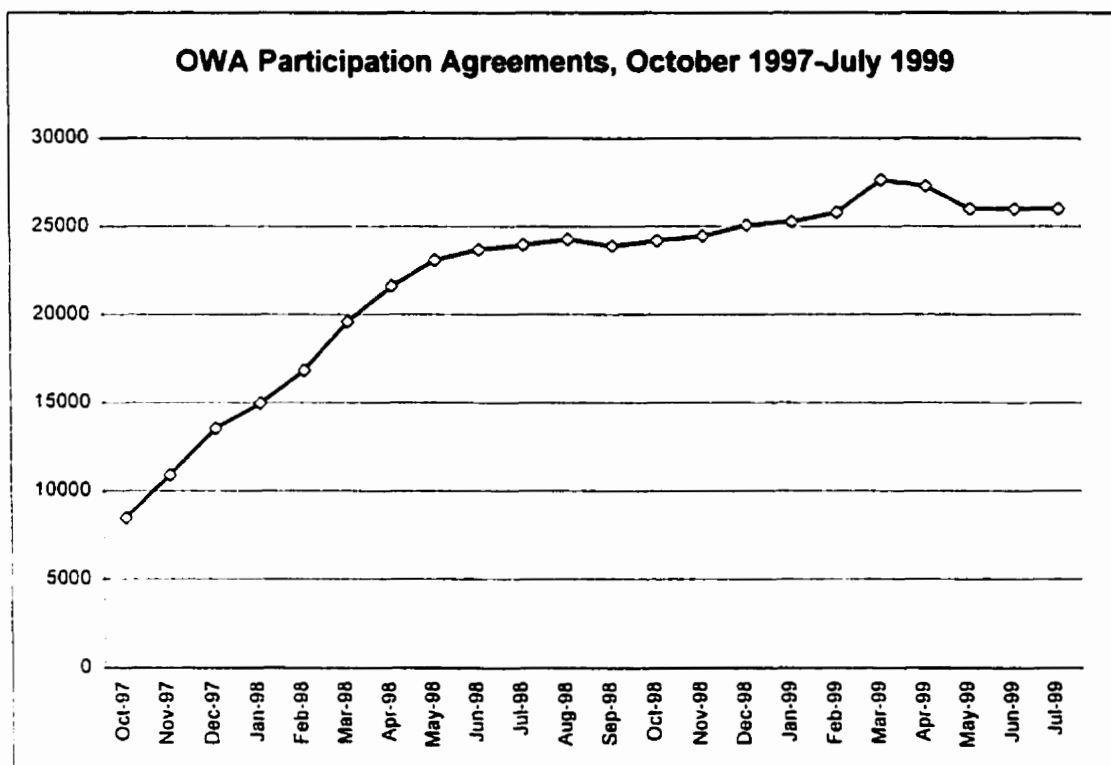
Chart 4.6 *Source:* Department of Social Services, RMOC, unpublished data

The reality is that the actual employment programming part of Ontario Works bear almost no resemblance to the simple-mided rhetoric of the 'Common Sense' revolution – but it does look an awful lot like what was happening before the Harris government was elected. 'Workfare' itself – in the sense that most members of the public understand it – is only a token part of Ontario Works employment programming, and this is not likely to change.

Ontario Works is about 80 percent or more old programs and old ideas, with a name name, a new funding formula and fewer legal rights and protections. (Ian Morrison, 20 Dec 1998, OW-WATCH listserv).

"Of course I don't have plans to keep track of people. I'd be being Big Brother." – Rudy Giuliani, on his resistance to tracking persons diverted from the welfare rolls (quoted in DeParle, 1999: 55)

It has been remarked that early into its mandate, the Harris government discovered that it is much easier to eliminate old programs and services than to build new ones. The uneven and partial implementation of workfare in municipalities across Ontario suggests that the program has met with little success when measured against unrealistic government performance targets, in a manner akin to a faulty five-year plan. The provincial government, through business plans negotiated with local governments, sets local targets for participation in Ontario Works. In the first <u>Ontario Works Business Plan</u> for Ottawa-Carleton, performance targets and eventual achieved levels offer ample proof of the unrealistic expectations and widely varying local realities that confronted the workfare commissars.

The development of directive/implementation gaps between regional politicians and bureaucrats and the provincial government and welfare bureaucracy over time, and the eventual assertion of central control through a combination of funding power and quiet redefinition of the CP program is notable. The original Business Plan for Ontario Works in Ottawa-Carleton was initially rejected by the provincial government due to the targets for CP and Employment Placement participants, although higher targets were never met. In 1998, almost 95 percent of all welfare recipients with a participation requirement in Ontario Works were in the EP program, which replicated most of the pre-existing services and conditions under the pre-OW welfare delivery framework.

A regional study found that slightly more than one percent of all OWA participants in Ottawa-Carleton were actively part of the direct employment programming associated with workfare (i.e. community placements, self-employment, and employment placement components of Ontario Works) in 1998 (Ottawa-Carleton Training Board, 1999). Another regional study found that of the estimated 24,000 with a requirement to participate in one of the three components of Ontario Works, about 18,894 were in Employment Supports (structured job search, resume writing help, etc.), and only 246 were in a Community Placement (Monitoring Ontario Works in Ottawa-Carleton, 1998).

Funding for Employability in Ottawa-Carleton

Program Expenditure	RMOC 1997 Budget	Pre-OW Expenditure Base Budget (Jan-Sep 1997)	OW Unit Funding (Oct-Dec 1997)
Salary and Benefits	$ 3,337,014.00	$2,486,503.00	$ 850,511.00
Program Costs	$ 852,462.00	$ 648,953.00	$ 203,509.00
Indirect GWA/OW Expenditure – TOTAL	*S 4,189,476.00*	*S3,135,456.00*	*S1,054,020.00*
Community Participation	$ 64,867.00	--	$ 64,867.00
Employment Placement and Self-Employment	$ 21,466.00		$ 21,466.00
Employment Supports	$ 1,033,114.00	$ 513,114.00	$ 520,000.00
CP Employment Supports	$ 278,000.00	--	$ 278,000.00
Disability Supports	$ 10,000.00	--	$ 10,000.00
Direct Programming Expenditure – TOTAL	*S 1,407,447.00*	*S 513,114.00*	*S 894,333.00*
Child Care – Informal	$ 345,525.00	$ 259,025.00	$ 86,500.00
Child Care – Formal	$ 811,481.00	$ 619,335.00	$ 192,146.00
Child Care – TOTAL	*S 1,157,006.00*	*S 878,360.00*	*S 278,646.00*
GRAND TOTAL	**S 6,753,929.00**	**$4,526,930.00**	**S2,226,999.00**

Table 4.3 <u>Source</u>: Adapted from p.47, *Ontario Works Business Plan (Ottawa-Carleton, 1997)*.

Program costs associated with Ontario Works funding were higher than under the previously existing employment programs for social assistance recipients. In Ottawa-Carleton, the transition from the pre-OW funding framework for employment programs (MEP, WAP, JobLink, and Opportunity Planning) in the first three quarters of 1997 to the new funding framework under Ontario Works in the last quarter ended up costing one-third (33.0 percent) of the entire year's budget (Table 4.3).

Increasing municipal administration of provincially controlled funds for social assistance provided a major whip by which municipalities have been forced into compliance with the provincial government's workfare policies. Direct program expenditure for Ontario Works (excluding social services administration costs) rose by 74.3 percent in the last quarter of 1997 over the entire three quarters preceding, reflecting the increasing role of MCSS funding within the RMOC funding envelope (Table 4.4).

A Changing Provincial Funding Framework: Average Monthly Costs

Average Monthly Program Expenditure	Pre-OW RMOC Funding (Jan-Sep 1997)	Pre-OW MCSS Funding (Jan-Sep 1997)	OW RMOC Funding (Oct-Dec 1997)	OW MCSS Funding (Oct-Dec 1997)
Salary and Benefits	$57,750.56	$218,527.56	$56,700.67	$226,803.00
Program Costs	$4,960.56	$67,145.33	$13,567.33	$54,269.00
Indirect GWA/OW Expenditure – TOTAL	$62,711.11	$285,672.89	$70,268.00	$281,072.00
Community Participation	--	$0.00		$21,622.33
Employment Placement and Self-Employment	--	$0.00	$1,255.67	$5,899.67
Employment Supports	--	$57,012.67	--	$173,333.33
CP Employment Supports	--	$0.00	--	$92,666.67
Disability Supports	--	$0.00	--	$3,333.33
Direct Programming Expenditure – TOTAL	--	$57,012.67	$1,255.67	$296,855.33
Child Care – Informal	--	$28,780.56	--	$28,833.33
Child Care – Formal	$12,791.44	$56,023.56	$12,809.67	$51,239.00
Child Care – TOTAL	$12,791.44	$84,804.11	$12,809.67	$80,072.33
GRAND TOTAL	$75,502.56	$427,489.67	$84,333.33	$657,999.67

Table 4.4 *Source*: Adapted from p.47, *Ontario Works Business Plan (Ottawa-Carleton, 1997)*.

The original Ontario Works Business Plan anticipated that there would be higher costs associated with the start-up of the new welfare-workfare delivery system. Both regional and provincial funding would increase. The anticipated increase in provincial spending for Ottawa-Carleton, from just under $427,500 to about $658,000, amounted to a 54 percent increase. In recognition of the principle that greater equality is a value worth paying for, it should also be pointed out that all this not-insignificant amount of public revenue could support real retraining or at least alternative reform proposals such as 'living wage' subsidies. Even within the welfare-to-work orientation of the SWS, clearly more funds could be saved

through better welfare-to-work strategies not predicated on "rapid labour market re-entry" and greater intensification of labour exploitation. As it turns out, actual participation in direct employment programming was relatively lower in Ottawa-Carleton than elsewhere in the province, reflecting some of these program realities.

Organizational Participation in the CP Program

Appendix 2A contains an alphabetized listing of all organizations that are active or formerly active in the Ontario Works program, gleaned from the CP program data maintained by the RMOC over the course of the various attempts at gathering data.[*] The chart below shows the top ten organizational types that have tended to participate.

Top Ten Types of Organizations that Have Participated in the CP Program, 1998-2000
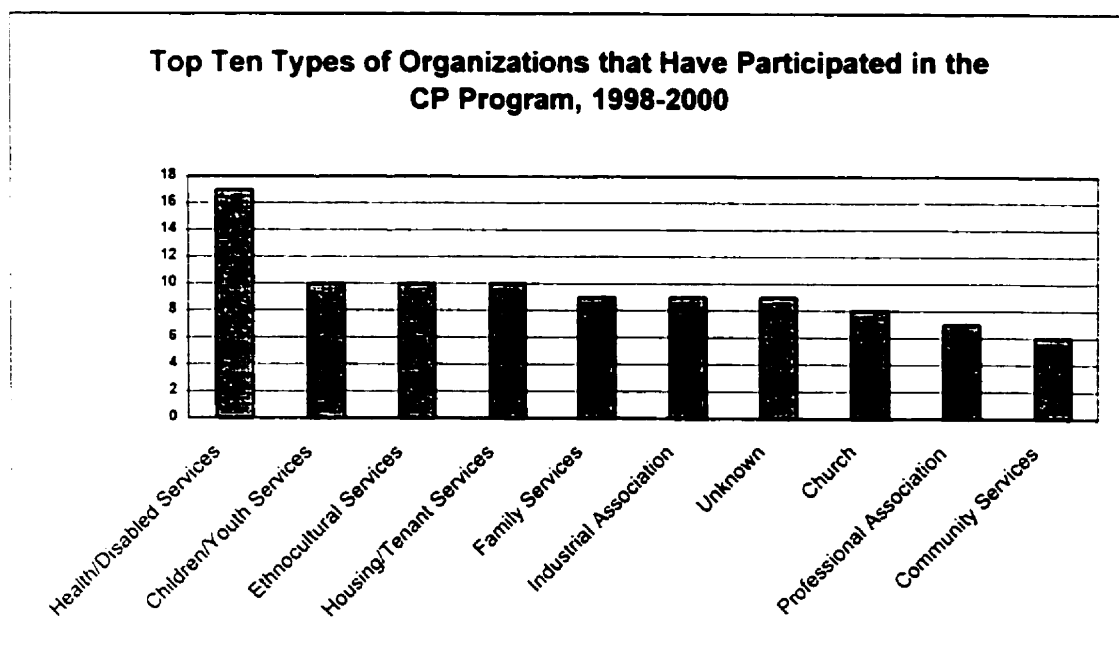
Chart 4.7 _Source_: Consolidated MFIPPA requests (CLCR, ODLC, WRFE), 1998-2000 (See Appendix 2A).

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[*] Appendix c shows the organizations that had withdrawn from the CP program after previously participating, as of January 1999.

The MFIPPA request made on March 23, 1998 identified 87 participating organizations. A minority (41) signed the consent to release information form with the region (see Appendix 3). Many community and labour anti-workfare activists with whom this information was shared concluded that it was possible that the remaining agencies did not want the community to know about their participation in Ontario Works. Agencies tend to be concerned about a negative image in the community, particularly where they are dependent on local fundraising and volunteer efforts.

The generalizations made by statistical data can mask differences. Not all organizations listed as 'participating' are necessarily current workfare employers. Those listed have indicated a willingness to take on community placements and have provided specific information on the number of occupational positions that they are interested in. From September 1997 to March 1998, seven of the original 87 organizations had either ceased to participate, or had yet to commence operations as a Community Placements employer. They have all, however, expressed a willingness to employ workfare workers at some point in time. One such organization, Laudemus Corporation, withdrew from the program over the first period of comparison (1998) in the workfare employer data, although this does not appear to be due to actual employment of workfare workers. Appendix 2B shows the organizations that had withdrawn from the CP program after previously participating, as of January 1999.

Data collected *by organization* for all those participating in Ontario Works as of 23 March 1998 are included in the list in Appendix 2A.[8] The extent of organizational

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[8] Because Community Placements applies to a very broad class of organizations, the classification of organizations by type is difficult and somewhat arbitrary. *Kind of service or clientele* is used as a guiding principle for the typology presented, but overlap on the part of organizations, particularly those that offer a variety of programs or services, was unavoidable. For example, the Aboriginal Nurses Association of

participation in the CP program by type of organization was evident from the first access to information request. Obviously, the organizations participating in the program are extremely diverse, spanning a wide range of services and types. The *Unknown* category is relatively high because not all workfare employers could be sufficiently investigated and identified in the course of this research.

Religious organizations, including churches and religious affinity groups, figure prominently in the data. This is interesting, in light of the statements and positions against workfare expressed by local inter-faith social movement organizations (Interfaith Coalition of Ottawa-Carleton, 1996). Participation in workfare is not limited to religious creeds, as humanist organizations are also taking part. Two Community Health and Resource Centres[9] (CHRCs) are noteworthy for their involvement in workfare, which was significant both in terms of the degree of participation and their unwillingness to sign the consent to disclose or promote form. The participation of these organizations was especially interesting for the reason that other area CHRCs had expressed serious concerns about workfare, at least as late as 1996. An important reason for this was the coercive funding environment faced by these agencies, some of whom began to participate extensively in the Ontario Works and CP funded initiatives.

Community agency participation is not confined to any particular sectors. Reasons for community agency involvement vary. The structuring of workfare labour also varies by organization, which suggests different reasons for organizational involvement. For example, the Ottawa Boys and Girls Club hired

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Canada is categorized as a Professional Association, and the Roberts/Smart Centre, which provides services to disabled children, is categorized as Disabled Services. Both organization name and type information is included in the listing in Appendix 1. The classification of organizations by type has proven difficult, based on a primary key based on *type of service* and a secondary key based on *group representation*. It is also incomplete as it is based on three 'snapshots'.

[9] CHRCs are generally multi-service organizations that provide a range of health and other services to the community, including for low-income and special needs groups. They typically have volunteer boards drawn from the community, and thus can be considered part of the community-based social services sector.

eight full-time workfare equivalent janitors at its four area sites. In this instance, it is a way of obtaining cheap labour, as this organization has one of the soundest private funding bases in the region.

In the January 1999 data, 125 organizations were found to have had active workfare placements. There was significant variation in the degree of participation by workfare employers, as measured by both the number of positions and hours worked, ranging from a low of 12 to a high of 2,800 hours a month. 63 organizational participants had no actual hours placed, but had positions on offer. The amount of workfare labour-power that organizations seek and how much they actually receive is an important indicator of the degree to which community placements are an autonomous, individual participant directed or initiated activity. Often, host organizations and the government (i.e. the local workfare state) claims that participants want Community Placements. To the extent that more hours are on offer than are active placements, the greater this principle becomes contradicted in practice, and that the development of placements becomes driven by host employer labour-power requirements.

The current workfare employer list shows that, although many voluntary sector[10] organizations are participating in Community Placements, workfare is by no means confined to this area. Many non-profit private sector organizations, such as the Canadian Association of Fish Exporters and the Canadian Advanced Technology Association, as well as non-governmental organizations, such as the United Nations Association in Canada, are also participants. Charitable organizations and foundations outside of the voluntary sector include the

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[10] For the purposes of this research, the Ottawa-Carleton voluntary sector contains those organizations represented in the Community Information Centre's Blue Book of Community Services, and organizations registered with the Volunteer Centre of Ottawa-Carleton. Of course, voluntary work is by no means confined to funded organizations, but is a constitutive element of everyday life for many people.

Worldwide AIDS Foundation or the Children's Hospital Foundation. Some of these are willing to promote their involvement, others less so.[11]

The involvement of virtually all of the non-voluntary sector workfare employers (and at least some voluntary and community-based social services sector employers) in the CP program is probably derived from the basic expectation that it will lower their fixed and variable wage costs (including in supervision, administration and training). That they have had some success in doing this is reflected by their participation in Ontario Works over time. This was the case with previous employment subsidy programs that were based on cost-savings incentives. Whether the point of the exercise is to maintain or increase levels of service, reduce the costs to users, or increase the revenues available for other purposes, cannot readily be determined at this point, but some combination of all these factors is certain to exist. As well, the situation of workfare workers outside the voluntary sector is likely to correspond much more closely to the traditional worker-employer relationship, in which labour-power is bought and sold. This remains an issue for future research.[12]

The list of CP employers includes both well-funded organizations (e.g. Boys and Girls Club of Ottawa-Carleton) and those that are minimally-funded (e.g. Action Centre for Social Justice, West End Interdenominational Social Action Group). Funding comes from both the regional and provincial governments, especially in the case of community-based social services. Other funding for more private-sector organizations is obtained by service charges to clients, membership fees for affiliates, and private fundraising or community donations campaigns.

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[11] Even the Progressive Conservative Party of Canada is a workfare employer, although, interestingly, they did not sign a 'consent to promote Ontario Works to the citizens of Ontario' form.

[12] The scenario of many of these employers becoming involved in a 'revolving-door' arrangement in which every six months, new workfare workers join the workforce—who receive minimal work-related training leading to regular (if contingent) employment within the paid labour market—is actively being monitored. It

Despite definite divisions in the community, the extent of participation in the CP program on the part of organizations in the local voluntary and community-based social services sector is quite wide, which has broader repercussions throughout the sector(s) as a whole. For instance, it has been suggested in the past that the provincial and regional governments may look to workfare as a form of funding-in-kind (socialized variable capital) for community organizations, meaning that participation or non-participation does have *de facto* funding implications.[13] Organizations that do not take on workfare placements will be forced to offer reduced levels of service unless they can find other ways to make up their revenue shortfall, and, in the long run, will not be able to 'compete' with similar organizations that do.[14]

Individual Participation in the CP Program

When compared with the 500 active community placements that the RMOC set as the Business Plan target from October 1997 to December 1997, the actual rate of participation of placements (which numbered only 74 by March 1998) was significantly smaller. The gap between supply and demand across most occupational categories is fairly wide; the problem being, apparently, not the lack of placements, but the lack of applicable 'fits' in the skill sets of social assistance recipients to the occupational types in demand with both workfare and non-workfare employers.

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should also be noted that. from the organization or agency perspective. this may entail increased supervisory and training costs (see SPC/Le Patro, 1996).

[13] See The Heart of the Matter Is: 'Where Are the Jobs?'. SPC-Le Patro. September 1996; Elizabeth Kwan. "Workfare in Our Community". Sandy Hill Community Resource Centre. 1996; and Toronto's Job Incentive Program (JIP) in the early 1990s for examples.

[14] For more on the funding crisis of the community-based social services sector in Ottawa-Carleton and more on the implications of workfare. see the April 1998 SPC Report, "Doing Less with Less": Report on the *1997 Community Agency Survey*.

Participation data provided by the RMOC in response to request for a summary of community participation listings from the Ottawa-Carleton District Labour Council (for 12 January 1999) appear to contradict claims made by regional officials about the voluntary nature of community participation. While community placements form only a small part of the overall OWA caseload, it appears that a significant proportion (76.5 percent) of these placement-track individuals have a mandatory participation requirement. When considering actual matched placements, only one-quarter (25.3 percent) were voluntary (i.e. without requirement). Some 'voluntary' participants may be in 'self-directed' placements and others – 10 percent of the original community placements targets/quotas were originally reserved in the provincial regulations – may be ODSP recipients that voluntarily participate in the Community Placements program (e.g. they are interested in gaining work experience, volunteering in their community, etc.).

Where participants stood in the placement process also varied based on whether they did or did not have a participation requirement. 34.2 percent of the active population with requirements were pre-placement (yet to be placed in a position with a participating organization) or had been referred for an interview with a placement officer. A much smaller proportion of 19.7 percent was found for pre-placements and referrals in the voluntary population. Thus, regional officials and/or social services workers seem to have a preference for providing the voluntary population with placements. On the other hand, the vast majority of workfare placements have been for those "with requirement".

Based on findings in Ottawa-Carleton, the occupational structure of the CP program, as seen in both supply- and demand-side data, is surprisingly diverse and invites further study. Occupational data are also of compelling interest to trade union partners of anti-poverty groups. Within the schema of labour

regulation, unionized environments and forms of work have a clearly defined interest and role to play in relation to the various occupations. Yet, on an industrial basis, workfare has until recently been premised on its deployment in non-unionized workplaces. The ongoing regulatory struggles in the constitution of workfare in Ontario has been primarily based in the non-profit and non-governmental organization sectors, although over the 1999-2000 period the government has endeavored to develop placements in the provincial and municipal public sectors, which are more unionized. This diversity is notable, as there is no kind of work 'typically' done by people on welfare, as assumed in the City of Kingston decision.

The ODLC data were aggregated by both occupation title and by major occupational group.[15] The eight major groups and the 51 occupational types found in the data are shown in Table 3.6. As can be seen, there is a great diversity of positions both filled and offered within the CP program in Ottawa-Carleton.

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[15] Unfortunately, these major groups do not conform to aggregated units in the Standard and National occupational classifications used by Statistics Canada and other national statistical agencies. They were developed through an inductive process used in reading the data, based on a conception of knowledge and skills as a means of distinguishing between different types of work. Ordinally ranked from greater to lesser skill content, based on existing labour market analysis of educational attainment (OCTB 1999 Environmental Scan), these groups are: Professional, Manager/Supervisor, Skilled Trades, Social Work and Primary Care, Clerk/Secretary/Receptionist, Food Services, and Unskilled Trades.

CP Program - Occupations by Major Group

Major Group	Occupation Titles
Clerk/Secretary/Receptionist	Accounting Clerk, Administrative Assistant, Cashier, Computer Operator, Customer Service Clerk, Data Entry Clerk, Inventory Clerk, Mail Clerk, Receptionist/Switchboard Operator, Sales Consultant, Secretary, Shipping and Receiving Clerk, Word Processor
Food Services	Cook , Food Counter Attendant, Host/Hostess, Kitchen Help
Manager/Supervisor	Advertising Manager , Cleaning Supervisor, Manager, Marketing Manager, Office Manager
Other/Unknown	Other, Unknown
Professional	Accountant/Bookkeeper, Computer Programmer, Financial Analyst, High School Teacher, Mechanical Engineer, System Analyst
Skilled Trades	Appliance Servicing, Carpenter, Computer Servicing, Desktop Publisher, Electrician, Landscaper, Nurse's Aide, Plumber, Teacher's Aide, Truck Driver
Social Work and Primary Care	Child Care Attendant, Counsellor, Health/Education Worker, Home Support Worker, Social Worker
Unskilled Trades	Cleaner, Construction Labourer, Courier, Painter, Warehouse Worker

Table 4.6 *Source*: Compiled from data in ODLC Municipal Freedom of Information and Protection of Privacy Act Request, January 1999.

The 'Other/Unknown' group was the second largest in terms of both standardized (placements per month, at 70 hours) and non-standardized (placement hours) placements. Tellingly, this (non-occupational) group was the only one with a greater number placed than 'on offer'. In December 1998, there were 5,340 such placement hours, representing about one-third of the entire active workfare workforce. This may be indicative of a significant number of self-initiated placements and/or lack of monitoring by social services, a possible result of high caseloads and not enough in-house capacity.

The 'Clerk/Secretary/Receptionist' group, while including a wider breadth of occupations than other classifications, clearly stands out as the most significant kind of workfare work. These are for which there is both significant employer

demand (at about 12,100 hours per month) and a relatively high supply of participants (a total of about 3,700 placement hours per month)[16]. This group is associated with a wide variety of organization types, and is relatively lower skilled. In terms of employer demand, the next largest groups are 'Unskilled Trades' (5,350 hours a month), 'Skilled Trades' (4,400 hours a month) and 'Social Work and Primary Care' (3,950 hours a month). (Hours placed for these groups were 2,000, 1,500, and 1,100 respectively.)

The gap in the expectations of the program is partly reflected in the gap between supply and demand for various positions. Chart 4.8 shows aggregate hours per month worked by occupational type, both in terms of the overall demand on the part of all organizations, together with the actual hours of labour-time worked by workfare workers, as provided in the Freedom of Information request of the ODLC for 1999.

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[16] Endless otherwise noted. data are rounded to the nearest 50.
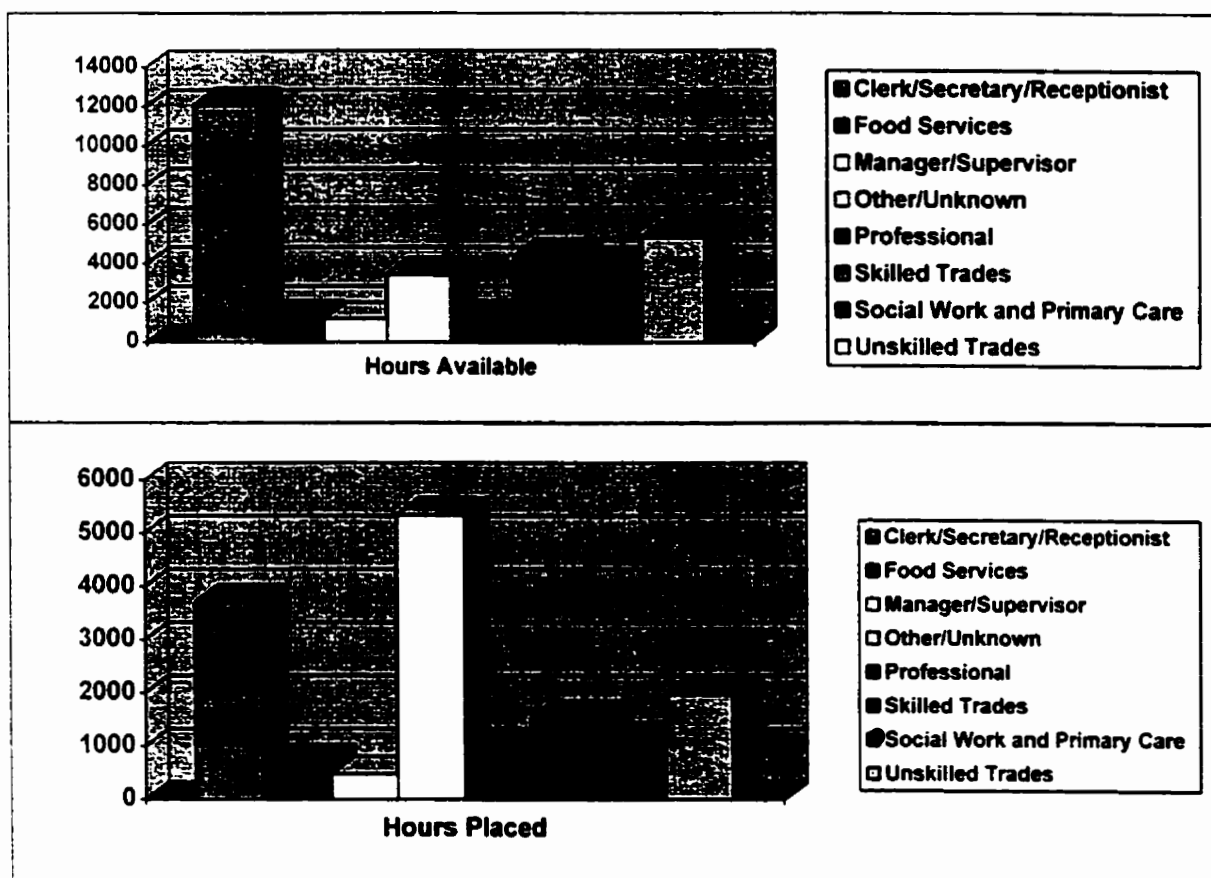
Chart 4.8 *Source*: Compiled from data in ODLC request.

The top ten known[17] occupational types that were placed[18] were Accounting Clerk (64.1%), Financial Analyst (52.8%), Computer Servicing (52.5%), Food Counter Attendant (50%), Computer Programmer (50%), High School Teacher (50%), Home Support Worker (50%), Mechanical Engineer (50%), System Analyst (50%), and Kitchen Help (47.3%). By amount of used labour time, the top occupational types were Administrative Assistant (1,878 hours per month), Painter (980), Kitchen Help (649), Counsellor (642), Cleaner (554), Office Clerk (534), Nurse's Aide (482), Financial Analyst (375), Child Care Attendant (340), Carpenter (280), and Construction Labourer (280).

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[17] Excluding the 'Other' and 'Unknown' groups.

[18] This is based on the proportion of filled hours to all hours (filled and unfilled) of CP labour time per month per listed occupational title.

Absolute unfilled employer demand for workfare labour-power (the first part of the supply/demand gap) was found across a diversity of occupational groups. The top ten groups were Administrative Assistant (4,023 hours per month), Office Clerk (2,503), Counsellor (2,263), Receptionist/Switchboard Operator (2,222), Painter (2,170), Cleaner (1,917), Nurse's Aide (1,235), Social Worker (1,048), Secretary (994), and Warehouse Worker (822). The top ten occupational types that were unplaced[19] in absolute were Administrative Assistant (2,145 hours per month), Receptionist/Switchboard Operator (2,012), Office Clerk (1,969), Counsellor (1,621), Cleaner (1,363), Painter (1,190), Social Worker (983), Secretary (801), Nurse's Aide (753), and Warehouse Worker (660).

The 'supply-gap' in the community placements data is a very significant finding, as it indicates which workfare employers are actually active and which are merely interested and willing to take on workfare placements. When the 'Other/Unknown' group is excluded, it is clear that employer demand outstrips the placement population, due to a combination of supply-side factors and case management practices. The overall 'fill rate' (placements to positions) was only 32.4 percent in January 1999.

There appears to be no basic relationship between 'fill rates' and the imputed skill content of the identified major groups, as seen in Table below. One exception to the general rule is the case of the 'Professional' group. Although comprising relatively few positions, the 'Professional' group had by far the highest rate of placements to available positions, at 41.9 percent. The lowest rate, 22.1 percent, was in the 'Social Work and Primary Care' group, for which caseworkers placed relatively few people.

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[19] This is based on the different between monthly hours available minus monthly hours placed by occupational title.

CP Program - Placements and Fill Rates by Major Group

Major Group	Placements (per 70 hr./Month)	Fill Rate
Professional	13	41.9%
Manager/Supervisor	7	28.8%
Skilled Trades	22	25.8%
Social Work and Primary Care	16	22.1%
Clerk/Secretary/Receptionist	51	23.4%
Food Services	10	35.7%
Unskilled Trades	28	27.0%
GRAND TOTAL	223	32.4%

Table 4.7 _Source_: November 1998 ODLC Municipal Freedom of Informational Request (RMOC). Data on number of placement per month are rounded to the nearest whole number.

In a number of respects, these findings appear to support the argument that 'creaming' of social assistance recipients for participation in the CP program occurs, with higher levels of participation for those with relatively higher skill qualifications. Participants within the CP program may face a variety of barriers to paid employment, including lack of recent experience, lack of Canadian experience, and lack of networking skills. It might also reflect the interest of a number of CP participants in relatively higher-skill placements in updating or maintain their previous work experience, and thus have relatively lower overall barriers to employment. To the extent that this is the case, the draw on Employment Supports resources (such as day care subsidies) may been seen to shift further away from a basis in need to labour market requirements. This has distributional consequences in that there is a shift in the allocation of resources to the fraction of the caseload with the lowest requirement for support.

Conclusion

This presentation and analysis of the Ottawa-Carleton labour market and data on implementation of the CP program provide important insights as to conditions

that mitigate against successful resistance and transformation. The favourable economic and labour market conditions are notable, but so are patterns of increasing casualization, decreasing EI coverage for unemployed workers, and an increasing knowledge gap between labour market 'winners' and 'losers'. Also notable is the wide diversity in participating organizations, and in occupational types. The lack of a close fit between occupational types in the CP program and kinds of jobs that are increasingly available in the local labour market suggest a fundamental weakness in the likelihood of the CP program to increase labour market integration. Instead, the 'warehousing of the poor' appears to be a better generalization. These generalization mask more complicated realities, which will require further research to draw out.

This research raises additional questions. What did and did not happen in Ottawa-Carleton as a result of the introduction of Ontario Works and the CP program? The politics of resistance have their own internal dynamic, largely a product of the present and historical interactions among and between labour and community forces at the local and provincial scales. How and why have community agencies, unions, and anti-poverty groups in Ottawa and Ontario responded to Ontario Works in the manner that they have, and what are the present and future prospects of their struggles? These questions are taken up in the next chapter.

Chapter Five

An Emerging Local Workfare State in Ottawa-Carleton

Introduction: Workfare and the Politics of Resistance

Peck (1996) and other regulation theorists have emphasized the importance of "indeterminate political and social struggles" in the formation of modes of social regulation and forms of the state.[1] In the question of the transition to post-Fordism, a 'strategic-relational' approach can be extended to consider the critical missing element in the account so far: the agency and activity of the labour and popular-democratic forces. A consideration of alternative strategies that have been expressed by labour and popular-democratic movement organizations is also necessary.

The way in which a workfare/welfare program like Ontario Works operates is a product of structures and conditions, space and place, ideological and material factors, and the strategic-relational aspects of the state, capital and labour. To the extent that we live in a world of differences, specific strategies have conjunctural applicability, in that problems in specific places are also a product of similar-but-unique historical contexts. Strategies of policy implementation and resistance to workfare that are proven effective in one place can never simply be assumed to work in another. This general point applies to both strategies of the state and those of other actors, including those engaged in resistance projects. The ambiguous status of workfare as an actual social relationship in practice means that a multi-layered approach is essential to a successful strategy of resistance.

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[1] The 'strategic-relational' theory of the state is informed by the following: the state is not a 'subject', the state is a social relation. This theory of the state is neither society-centred nor state-centred. In Poulantzas' later theory, the state came to be understood as an institutional condensation of the balance of class forces. Both the contradictions within the state and the mobilization of class forces matter in determining the strategic selectivity of the state (Jessop, 1991: 84)

Discussion and debate is essential for the development of strategic directions that can potentially increase the capacity for counterhegemony and social transformation.

It is important to consider both aspects of this question – state struggles to implement workfare (and the employability paradigm more generally) and the struggle of groups and alliances against workfare. These two levels can also be seen as the 'open' (contestation is possible) and 'closed' (contestation is impossible) aspects of strategic action. Many approaches to organizing against workfare, both community- and industrially-based, attempt to address the need for 'offensive' struggles against the state and workfare employers. Examples of this are found in the strategies of organizations like the Ontario Coalition Against Poverty (OCAP) in Toronto or the Kingston Direct Action Working Group (KDAWG) in their picketing of workfare agencies and challenging the municipal and provincial governments.

An example of 'defensive' struggles aimed weakening or undoing state offensives by highlighting the erosion of citizenship rights, such as the Ontario anti-poverty groups' presentations to the U.N. Committee on Social and Economic Rights. Groups that have pursued these strategies include Low Income Families Together (LIFT), the Centre for Equality Rights in Accommodation (CERA), and LIFE*SPIN, groups which also have a basis in client advocacy and direct action casework (used to reverse bad decisions and to cut through red tape through placing added pressure on government bureaucracies).

Despite the fact that the government has repeatedly pushed mandatory work-for-welfare to the forefront of its electoral campaigns, inconsistencies between discourse and practice continue to characterize the government's workfare

strategy. There are also inconsistencies in official claims about the Ontario Works program and an increase in the selective use, omission and lack of disclosure of information on the part of the state. Mandatory participation in Ontario Works activities has been the rule, with a 'forced choice' between options such as Community Participation ('community' work-for-welfare), Employment Placements ('triangular' work-for-welfare), and Employment Supports (self-employment start-ups, resume-writing skills, structured job search, related supports such as child care, etc.).

The anti-workfare fightback strategy described in this research highlights the role of alliances between the community sector and labour. In campaigns such as those in opposition to workfare and in general political activity, unions have often achieved gains in concert with social action groups and community-based organizations, and at times through state actors at the local and provincial levels. The labour movement also draws strength from the successful alignment of its social and economic struggles with the general interests of the community. However, labour-community alliances on the anti-workfare front in Ontario have proven difficult to sustain. Over the 1990s, it became clear that effective intra-class alliances between unions, welfare workers, service providers and recipients were difficult to initiate, let along sustain, partly because of the lack of well-organized opposition to the Harris government's intentions in social services restructuring.

This Chapter surveys the prospects of resistance and implementation of Ontario Works and the CP program. The first section tells outlines the problematic of strategies of resistance. The second section tells the story of the shift from resistance to accommodation in Ottawa-Carleton, and outlining some lessons to be learned from this experience. The second section outlines the general strategic direction of the trade union movement, as well as identifying agents of class-

based resistance. Several reasons for 'institutional contradiction' and weakness are identified, challenges evaluated, and alternative approaches explored.

Strategies of Resistance

Strategies of resistance must be grounded not only in theory but also in the lived realities of social welfare practices. The prospect of resistance strategy cannot be reduced to a single form of the economic conditions in which struggle is pursued, but must incorporate the analysis of how possibilities are alternately constrained or enabled by a range of interactions between their economic, political, social, cultural, and historical contexts. The U.S. welfare rights movement of the 1960s and 1970s fought for the expansion of the welfare system, through state-level and local struggles, as a way to force the federal government to institute a guaranteed annual income. Ultimately, this struggle was unsuccessful for a variety of reasons, not least of which was what Myles (1995) referred to as the beginning of the 'leaden age' in the early-mid 1970s and what Piven and Cloward (1993) call the return of the 'dramaturgy of work'.[2] Successful strategies of resistance to punitive welfare-workfare regimes can be undertaken in a variety of different circumstances, such as periods of *low* or *high* unemployment. The conditions for successful strategies differ by context, while teaching important lessons for all conjunctures. In this sense, there is a quality of similarity or equivalence to the social relations of workfare across time and space.

As a set of social relationships between welfare recipients, volunteers, paid workers, community agencies, private sector employers and the state at a given

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[2] Its roots were found in a concrete set of historical circumstances – the migration of blacks to the industrial northern cities, the growing economic prosperity of the post-war era, and a growing sense of empowerment and mass mobilization against racial discrimination (particularly in the labour market) and urban poverty.

conjuncture, the social relations of workfare are articulated across a number of class positions in the relations of production and dimensions of subjective experience. Below are a list of some of the dimensions (dichotomies and continuums) of an intra-class character that are relevant to the politics of both implementation and resistance in the development of workfare regimes:

(1)   Unpaid and paid workers

(2)   Clients and service providers

(3)   Mandatory and voluntary workers

(4)   Exclusion and inclusion

Workfare Participants as Unpaid Workers

There are several categories of unpaid workers, including volunteers, homemakers, those looking for a job, and many others. While labour market statistics are somewhat helpful in describing the conditions of paid workers in the secondary labour market, there are few available sources of data on unpaid workers and unpaid work in tertiary labour markets. While it is clear that unpaid workers exist in a variety of class locations – domestic workers such as housewives, unencumbered volunteers, the unemployed seeking paid work, etc. – there has been a lack of systematic research identifying the kind of work performed and the productive contribution of this labour-power.

Unpaid workers are often involved in socially necessary labour, that is, essential for social reproduction, and in resourcing the social economy.[3] As a subset of this

This welfare rights struggle was of its time, providing many examples of how a strategy of resistance can be pursued in a variety of contexts (urban/rural, north/south, etc.) (Piven and Cloward, 1993).
[3] The relationship of workfare to capitalist production requirements within the schema used in this research is based on an extension of the analyses of Marx (Capital) and Sweezy (The Theory of Capitalist Accumulation), which theorized the various 'departments' of capitalist production. In this schema of extended capitalist economic reproduction, consumption goods and goods used in production, or

group, workfare workers subsist on a social wage well below the prevailing standard of living. Those in the tertiary workfare workforce[+] are living in the modern social and economic forms of indentured servitude. If not through participation in workfare programs, or those of employability enhancement more generally, the only other form of subsistence available is through the paid labour market or informal economy. For many, labour market integration is not possible and they become further marginalized.

The CP program capitalizes on the ambiguous yet socially contributive nature of unpaid work as a means of labour market integration. At the same time, it is clear that the government's agenda is to reduce the welfare rolls, creating mandatory requirements which, if not followed, will lead to the termination of social assistance. In organizing unpaid workers, two strategic aspects that emerge here are organizing for fair (i.e. paid) work for those who seek it, and organizing for a decommodified 'Third Sector'.

Workfare Participants as Clients of Service Providers

The transformations of the client/recipient identity of social assistance recipients which prefigured the modern workfare 'participant' has also meant disorientation on the part of social and community service providers. Frontline workers in both the social and community sectors of the welfare-workfare state are both challenged and threatened by new provincial requirements. Frequently, the coercive arm that is used it the threat of withdrawal of funding and workplace restructuring in the community and social services respectively.

Department I and II. are supplemented by two other departments essential to both social and economic regulation. Department III are luxury goods designed to absorb surplus value, and Department IV are social capital and the Third Sector. Production in all four domains is the result of the frameworks established by particular state forms and social structures of accumulation.

Compliance with Ontario Works as a source of funding was seen as an important part of the reason for community agency involvement in program delivery.

The power relations in the community and social services sector are complex; reflecting competing imperatives and value-systems. Forces transforming the sector have also led to increasing professionalization as well as opening the door to a more activist unionism. Further job control by management, performance-based funding, and a myriad of other issues confront workers in this sector, as a result of many of the same forces that have degraded and jeopardized the conditions of their clients. Thus, opportunities may exist for alliance-building around a common set of demands between labour and community partners on issues of workplace rights and the right to unionized and paid employment.

Workfare Participants as Mandatory Volunteers

> "If it's not mandatory, it's not workfare. And I acknowledge we
> want to bring in workfare, training-fare, to all those able-bodied
> people in exchange for benefits." – Mike Harris

The importance of disentangling the discourse of workfare and welfare reform is central to the process of understanding the politics of workfare. This became apparent in interviews and discussions with various actors, from regional officials to actual community participants, in the course of local research on the CP program. Significantly, different state actors involved in the design and implementation of social assistance policies express conflicting interpretations over whether or not they are implementing a 'workfare' policy. It is notable that regional government officials do not refer to the community participation

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[4] As has already been noted. this workforce is created out of state coercion and conscription through the prison and welfare systems. a continuous thread from 19th century poor houses and social purity movements as forms of legal and moral regulation (c.f. Hunt and Wickham).

component as 'workfare', while the provincial governments sends out mass mailouts trumpeting the success of its mandatory work-for-welfare program.

A central question for anti-workfare organizers is in learning how participants (both organizational and individual) interpret the meaning of 'mandatory' and 'voluntary' in their experience with unemployed Ontario Works 'volunteers'. For example, is an unemployed person who volunteers as a way of meeting employment goals really a volunteer, in the sense of 'voluntary' meaning 'a gift freely given'? This is not likely to be the case, whether the situation is due to a workfare program or not, when one is obviously hoping for a job.

Workfare requires that a worker is both unpaid and coerced into participating in work or employment activities as a condition of receiving minimal social assistance benefits. It is a matter of some controversy as to whether or not Community Placements are in fact workfare in this narrowest definition, especially as many of the stringent constraints have, for the time being, been relaxed.

Previously, we considered the question of mandatory versus voluntary extraction of labour-power from labour; a question upon which the distinction between 'secondary' and 'tertiary' labour markets rests. This is complicated by the reality of actual, existing social relations of workfare, which inevitably leads to the conclusion that the mandatory-voluntary distinction is perhaps best viewed not so much as a dichotomy than as a continuum. The *mandated* activity is invariably the product of negotiations and social relations at a variety of nested scales or locales such as provincial and local governments, social service departments and regional offices, supervisors and case workers, and case workers and social assistance recipients. Actual social relations may vary

somewhat across time and space, based on both historical continuities and discontinuities.

The implementation of Ontario Works since 1997 has been caught in a maelstrom of contradictory claims made by different parties that workfare was mandatory, while others maintained that workfare was a voluntary program. In Ottawa-Carleton, as elsewhere in the province of Ontario, program participants are ostensibly allowed to choose between three options under Ontario Works. Given the forced nature of the choice faced by social assistance recipients, many describe Ontario Works as a mandatory program. Issues of compliance and non-compliance need to be examined more closely. What statistics cannot show is the structuring of outcomes based upon the relationship between caseworker and recipient. Much frustration has been experienced and documented in regional and provincial research.

The expectations and experiences of workfare workers over time -- how they experience their employment status, labour process, exit opportunities, etc. -- serves to anchor this 'strategic-relational' analysis of workfare. For many of the more direct-action oriented groups that are considered by many activists to be at the forefront of the anti-poverty and anti-workfare struggles in the province, this principle provides the basis for collective organization of resistance and counterhegemonic struggle. These questions have important implications for the strategies of activist social assistance recipients fighting poverty and workfare in Ontario, such as members of groups like Ontario Coalition Against Poverty (OCAP), Thunder Bay Coalition Against Poverty (TCAP), Hamilton-Wentworth Against Poverty (HWAP), Kingston Direct Action Working Group (KDAWG), and Welfare Recipients for Fair Employment (WRFE).

The research found that workfare participants may have a positive outlook on their community placement activities, at least initially. Most of the existing workfare participants are semi-voluntary in Ottawa-Carleton, where placement rates are low in comparison to both the province and the existing provincial target of 15 percent. This was especially so at the time of this study. Thus, the small number of actual participants could be expected to report their experience in a more positive light. This proved to be the case when participants found employment or meaningful education or training activities at the completion of their placement, as seen in both province-wide and local independent studies, as well as in the provincial government's own communiques about the 'success stories' of workfare. The authors of the MOWOC report noted that

> Participants felt very strongly about having the chance or
> opportunity to improve their lives, which runs counter to public
> and media portrayal of welfare recipients as lacking initiative.
> (MOWOC, 1999: 23)

At the outset, new participants in Ontario Works have been hopeful that the new programs and services delivery framework would help them secure employment. Comments made by study participants in Ottawa-Carleton noted the following: "I hope that it (Ontario Works) will lead to a foot in the door." "If it gets me some employment, then it will have been a success. Otherwise, it will have been a bust." New participants also noted that "(Ontario Works) could be an opportunity . . . I have nothing to lose, it has possibilities." Another participant noted problems at the outset. "I need some help but it's not enough. I need direct contact with employers." (MOWOC, 1999: 20)

In spite of the somewhat hopeful, 'participatory' orientation on the part of Ontario Works participants reported the Ottawa-Carleton study, significant crisis effects were also noted at the time of the six-month follow-up to the first phase of

the research.[5] At the time of the six-month follow-up, some participants' views on Ontario Works had soured somewhat. "I wanted to learn a skill to get a job. I thought I'd learn more about using a computer." "I felt my chance would be much better to get a job – when you are out there you can see people, connect with people." "I want, need, and would like job experience. I never got it. I work 40 hours a week on placement. (But) I have not lost hope." Other examples noted in the final report included: "I did not feel that the time spent on placement was useful for me. I hoped/expected something good but it was not." "After six months, it was like getting fired, that was how it felt." "You lose self-esteem every time you finish something yet it doesn't lead to a job."

Other participants in the study appear to have adopted the popular view about increasing 'employability', not increasing 'employment': "If I do not have the experience, I would not get hired." "It's a start . . . an opportunity to get skills and training, achievement to reach a goal." Improving self-esteem, another popular pro-workfare viewpoint, also has some support. "I feel better about myself going out every day. It makes me feel important." "Have to get up and do something, not just sitting around worrying."

Another barrier to organization has included the lack of knowledge about the new system on the part of welfare workers and clients. As noted by the authors of the MOWOC report,

> The extent to which individuals were aware of their supports and
> services available to them appeared to reflect their relationship
> with their worker(s), and their contact with other people in the
> Ontario Works Program. (MOWOC, 1999: 21)

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[5] The quoted comments below are primarily from Community Placement participants. The study also included non-C.P. participants.

This aspect of Ontario Works in Ottawa-Carleton remained the case at the time of the six month follow-up. Other instances of 'implementation failure' were also noted: "One (of two welfare workers) tells me I will get something, the other says no." "I had to fight for extra dollars that I'm entitled to (for work boots, bus passes, etc.)." "They pull you out in six months, out too early – working there for nothing, you have to go through it again."

There were also impacts on pre-existing voluntary work at community agencies. As noted by the authors of the MOWOC study,

> Some individuals found that changing their regular volunteering
> into an Ontario Works placement had some negative consequences,
> including the loss of privileges and responsibilities previously held.
> Other felt that their skills were underutilized, and still others felt
> vulnerable knowing that receipt of their cheque was tied to doing
> well in their placement. (MOWOC, 1999: 22)

Some comments by participants speak to other contradictions at the heart of workfare, which is of special significance to the question of spaces for resistance. "A participant could have a placement looking after children – yet cannot stay home and look after their own families." "Placements are a way of keeping people on the system instead of helping them to find jobs." Some workfare participants showed a greater sense of working-class consciousness and of solidarity than many union workers. Perhaps most telling was the statement by one study participant that "if a placement works out, the person should be paid to stay on . . . however, we have to be careful not to take jobs away from a union worker . . . the poor will get hit again in this case and won't be happy with us. It sets people against each other." This sentiment was expressed by another participant: "After a six month placement, they should have people hire you." One respondent indicated the contradiction of community agency non-participation. "Some agencies just don't agree with the program, therefore it's

difficult to get placements where you'd like." This dilemma for self-directed placements for agencies has also emerged as problem of organizing against workfare and for meaningful work.

Most persons receiving income benefits under the Ontario Works Act (OWA) in Ottawa-Carleton – well over 90 percent – were participants in the Employment Supports stream at the time of the study. In many instances, non-community placement participants within Ontario Works were of the same nature as many activities taking place in Ottawa-Carleton prior to the introduction of the program. Some enhancements within Ontario Works, such as the increased capacities of the Employment Resource Centres (ERCs), was viewed as a positive development by many study participants. At the same time, contradictions in the training regime were also noted. "The ERC sent me to this company to work on my resume and teach interview skills. They register you and then you meet with them every two weeks. I know how to do resumes. It may be okay for younger workers but not for people who've done it lots of times." Another respondent noted one of the fiscal contradictions of the program: "The government pays a lot of money to put people in these programs so they should help people get the jobs at the end. The cycle must be completed or the money is lost." Study respondents who indicated positive experiences with Employment Supports indicated that they received appropriate training and supports, and that their employability was improved. Those who reported negative experiences universally did not feel that their employability had improved as a result of their participation in Ontario Works.

The near-hegemonic status of the 'full employability' paradigm is borne out in the support of the electorate for a renewed labour market orientation for welfare. Support for reduced social assistance entitlements and workfare in the 'received common sense' of the workforce occurs despite the fact that any worker could

lose their job in the future, fail to be eligible for federal employment insurance or early retirement, have insufficient independent means of support, and end up on welfare. At such a point, the worker thus required to participate in welfare-workfare achieves a measure of 'experiential common sense', unmasking the contradictions of welfare-workfare as labour market policy, at least for that particular individual.

The process of 'experiential common sense' is different for those who experience long-term unemployment but who may still believe the government's rhetoric about giving them a "hand up, not a hand out." This is especially so for people who are recent community placements and who see workfare as leading to a job. Here too, 'experiential common sense', in contradiction to hegemonic 'common sense', also develops over time. This is evident in the existing qualitative research on participant experiences. Without real opportunities for meaningful work and skills development, especially once the maximum period with a particular workfare employer has passed, [6] work-for-welfare tended to lose support among participants (Monitoring Ontario Works in Ottawa-Carleton, 1999).

Social Cohesion: Exclusion, Inclusion and Workfare Participation

While workfare can be evaluated by looking at the degree to which it promotes individual and social inclusion (which strengthen strategies of implementation), which many official studies have attempted to show, it can also be examined in terms of exclusion (which strengthen strategies of resistance). A certain proportion of exclusion among the working age population and their dependents is necessary within capitalism (as seen, variously, in housing and labour markets). While labour market conditions have improved for many unemployed

workers improved in the latter 1990s, there remains a core 'reserve army' of precariously waged and often unpaid workers. Workfare is part of the development of this class strata of excluded workers who are often unable to obtain remuneration for their labour-power.

The social relations of workfare structure both the tertiary labour market and forms of citizenship and state representation. The community agency (or 'third') sector is the main employment sector for workfare, and the proper analysis of the employment relationship between CP participants and host organizations is critical to properly reading the social relations of workfare in Ontario and Ottawa-Carleton. This new 'reserve army' of labour is deployed in ways which facilitate social reproduction, while involving the reconstruction of pre-existing historical identities ('welfare recipient', 'income maintenance', etc.).

The attempt to reinvent the welfare recipient into workfare participant, within the general context of the influence of neo-liberal policy prescriptions for all programs of the residual 'post-welfarist' state sector, also involves mobilizing new identities of social citizenship. Forms of citizenship and state representation are important in terms of both their 'exclusion' and 'inclusion' of persons, citizens and subjects. All of these relationships shape the more concrete relationship of inclusion and exclusion experienced by different social groups and individual subjects.

Worsening with each successive economic cycle, the citizenship rights of social assistance recipients and others dependent on state income maintenance programs have been under continuous attack by successive federal and provincial governments in the 1980s and 1990s in Canada. There are two modes of this attack, state practices of exclusion and those of inclusion. Strategies of

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⁵ In 1998, this was a six-month period, occasionally extendable to eleven months in circumstances.

exclusion and inclusion are an important contradiction at the heart of the matter of workfare, as both appear to operate simultaneously in the regulation of 'deserving' versus 'undeserving' subjects.

This is seen in the case of workfare and Ontario Works under the Harris government, where *welfare recipients* are first demonized and humiliated by the government ("beer money", "welfare cheats", etc.) and *workfare participants* celebrated in success stories of individual rehabilitation through "honest work" and "giving back to the community". The idea that is promoted in the second instance is that workfare can somehow provide "a fair day's pay for a fair day's work" and that "participation" is necessary for the self-improvement and employability of welfare recipients.

Workfare can be thus seen both as something new (mandatory work-for-welfare) and as an adjustment to a pre-existing social relationship between client/recipient and service provider established over the course of the development of the Canadian 'permeable Fordist' welfare state.[7] People on welfare in Ontario have become 'participants', as government policy reconstructs their identity beyond the image of dependency associated with the 'recipient'. This new identity is 'active' rather than 'passive'; the individual is to be regarded as responsible for improving her or his situation in the labour market or improving her or his degree of social participation.

The various forms of exclusion experienced by workfare-eligible welfare recipients can be juxtaposed against the discourse of 'inclusion' claimed by present-day advocates of workfare. Both sides of the inclusion-exclusion

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[7] In the experience of at least one of the local groups in Ottawa (WRFE), some of these individual social assistance recipient and caseworker relationships are good from the perspective of recipients. Many, however, are quite the opposite, particularly when one is a special needs recipient with multiple barriers to employment.

dichotomy need to be considered if we are to understand the possibilities for workfare to promote or disrupt both economic and social regulation. Workfare policies such as the Community Participation program component are often marketed as being about 'inclusion' and 'participation', as part of a stepping stone to personal success, autonomy and self-reliance. In reality, workfare practices are more likely to produce exclusion, lack of self-reliance, lack of empowerment, and increased personal and family deprivation and desperation.

In the currently fashionable language, workfare can be assessed in terms of its contribution or disruption of social cohesion, community capacity-building and social capital formation. Models of political struggle that attempt to foster social cohesion have generally been predicated on the consent and support of both the ruling and the ruled. The intellectual origins of this approach are found in conservative sociological traditions, such as Emile Durkheim (Jenson, 1998). Social cohesion projects promote a broad-based social solidarity, based on appeals to the middle-class strata, as well as sections of the bourgeoisie. Models of political struggle that are based upon the organization of class interest stand in marked contrast to this approach. As seen in the work of a variety of anti-poverty/anti-workfare organizations, this latter form of struggle tends to be predicated on the collective organization of those marginalized and excluded through the operation of the law of value within capitalism.

While social cohesion is incorporated in the discourse of governing politicians, social policy networks and communities, it is rarely promoted in public policy itself. Thus, social cohesion is being eroded through the actions of governing parties and the institutions of present-day capitalism, such as globalization and technological change. Undeniably, neo-liberal economic policies tend to dominate social policy in SWS regimes and constrain the options for those governments engaged in the discourse of social cohesion. The use of the

discourse of social cohesion on the part of federal, provincial and local political elites in an attempt at legitimating overarching policies of structural competitiveness and labour market flexibility is an important twist in the Canadian state context.

Political parties in Canada and elsewhere are generally of the view that income maintenance systems are a residual form of government expenditure, one to be minimized in order to enhance structural and fiscal competitiveness. Many governments have used the message that working people shouldn't have to support those 'living off their tax dollars' in order to promote social assistance reform in line with a neo-liberal approach to competitiveness. This is the case on the part of national and provincial governments from the Prime Minister of Canada[8] to NDP B.C.[9] to Conservative Ontario.

Wherever policy options are explored and debated, whether by social democrats or neo-liberals, there appears to be an accepted common ground: the imperative to move people from welfare to work and to reduce government debt and taxation. This in itself necessarily reduces the 'success' or 'failure' of workfare to employment outcomes. The 'full employability' paradigm secured the political space for a more punitive welfare-workfare state project, as seen in the transition from Opportunity Planning to Ontario Works. As a way of organizing the universe of political discourse, the 'full employability' paradigm closes off the discursive space for a more transformative political project within a social democratic movement. An alternative project of social solidarity between labour market entrants and existing workers under a wide variety of employment contracts is thus needed outside of the established state and party systems.

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[8] Jean Chretien: "In my judgement. it is better to have them at 50 percent productivity than sitting at home. drinking beer. at zero percent productivity." Cited in Rebick (1999: 2).

[9] Mike Harcourt: "We want to clean the cheats and deadbeats off the welfare rolls . we're not going to allow people who could and should be in the work force to sit there and do nothing." *ibid*

Until such time as a political recomposition becomes possible, successful collective efforts at the local level are very much subject to a variety of general and special conditions.

Whether resistance strategies against workfare in Ontario will be successful in overcoming these challenges remains to be seen. What workfare resistance strategies are available to render it ungovernable in practice? There is evidence in support of the impact of anti-workfare campaigns in encouraging non-participation and withdrawal of organizational participation. Especially in light of the provincial government's changing legitimation tactics, any movement of resistance and opposition needs to develop alternative strategies that enable the unemployed and other people on social assistance to meet their needs. For most social assistance recipients, this means advocacy and direct action to demand fair treatment from welfare officials, and other forms of welfare defence work. For those specifically involved in workfare, this means advocacy and direct action to demand employment under fair conditions, for a real wage.

In order to move from resistance to transformation, counterhegemonic strategies must also show themselves of value in replacing workfare and welfare with a decent guaranteed minimum income and in creating valued employment that meets the needs of individuals, families, and communities. The appropriate strategy seems surprisingly familiar – unionization – but under conditions similar to those faced in the pre-KWS period, in a condition where unions were illegal. The lessons of the unemployed workers' movements of the 1930s as well as those of state restructuring in the 1990s need to be synthesized into a strategy that can achieve backing from allied collective actors.

Speculating on the future for social actors, including those both within and outside the industrial relations framework, is always problematic. The

development of union strategies occurs within a complex matrix of decision-making processes in relation to limited time and resources. History and theory do, however, provide a number of important lessons for unionists and anti-poverty activists. Predicting the future is a risky exercise but future conditions within the emerging structures of workfare have disturbing implications for the broader working class, especially when history and comparative developments are considered.

From Resistance to Implementation of Workfare in Ottawa-Carleton

Many individuals – trade union activists, anti-poverty activists, community agency staff and volunteers, local politicians and bureaucrats, and social assistance recipients alike – inhabit a different ideological universe than that of the 'Common Sense Revolution'. Organized groups and interests, including social assistance recipients and/or workfare workers (when they have some voice or representation), are sometimes accommodated within the institutional configuration set out by the regional government, in compliance with the province.

Regional bureaucrats have suggested that a 'successful' workfare program is one in which social assistance recipients manage to find employment supports and independence through the paid labour market. Despite the renewed emphasis on social marketing, it is well known among welfare recipients and those involved in policy delivery that there is nothing new about promoting success in the paid labour market for social assistance recipients in the pre-existing welfare system. Local social services bureaucrats operating within a regional political authority have been able in some instances, such as in Ottawa-Carleton, to carve out a certain amount of autonomy within the Ontario Works delivery framework, and have even, in some instances, capitalized on errors made by the

province and won compromises. It is important to note that there is a general lack of support for mandatory work-for-welfare among leadership in the bureaucracy (Dick Stewart) and on regional committees (Alex Munter), despite the implementation role of the RMOC's Social Services Department. Similarly, many active in the broader voluntary and community-based social services sector are similarly opposed to 'workfare', while playing a critical role in the administration of welfare/workfare.

A number of municipal governments, such as the Regional Municipality of Ottawa-Carleton (RMOC), have expressed scepticism about the chances of the Ontario Works model's ability to meet the needs of many social assistance recipients ready and able to enter the local labour market. This is an important point relating to the social struggle against workfare, in that capture of local state structures as part of strategies of resistance may be possible at different times and for different reasons.

It is important to point out that there is a general lack of support for *mandatory* work-for-welfare at the level of the Community Services Committee of the regional council, at senior levels of the social service bureaucracy, and also within the broader voluntary and community-based social services sector. Support for *voluntary* work-for-welfare (as a 'welfare-to-work' strategy) exists, however, on the part of all these actors. At the same time, one of the more startling facts uncovered by this research was that some organizations that had in the past taken positions against workfare in Ottawa-Carleton had quietly become participants. This preliminary finding raises important questions for further research. Of related interest are studies analyzing the program's impact on social assistance recipients' employability and actual employment, and on the prospects of the program as a way of addressing problems faced by the non-profit sector and community agencies in particular. Community agency staff and

board members sometimes take the position that the Ontario Works money acts to subsidize the placement, who may have a genuine need or desire for voluntary work experience.

The 'institutional fabric' being woven in support of workfare in Ottawa-Carleton brings into focus a number of unpleasant potential contradictions in the local voluntary sector. Many of the non-profit organizations that are involved have a community service mandate. Others are mostly dependent on funding from the provincial and regional governments. This 'institutional fabric' for can be seen as part of the extended local SWS through the new structures of policy implementation. This institutional fabric also includes other sectors among participating non-profit organizations – two of the top ten categories include industrial, professional and employer lobbying and other membership-based organizations.

At an early stage in this research, it became clear that 'workfare' itself was a contested concept as applied to community placements. First, those opposed to the naming of Community Placements as 'workfare' maintained that these placements were 'voluntary' in character, and presented opportunities for welfare recipients to learn new skills and to strengthen their sense of participation in community and civic life. Sometimes, however, contradictions in organizations' motivations were apparent, as the following observation of management at one organization (now inactive) demonstrates:

> "It was on a voluntary basis; three months of free work, and they
> were under the understanding that this was just to give them a
> little bit of work experience. They weren't paid for it by the
> (organization) themselves, it was free and voluntary labour,
> although they said that it was quite a bit of work in the training and
> time involved . . . *they felt like they were actually giving more than they
> were getting* (emphasis mine)."

The contradictions inherent in the organizational participation in workfare in Ottawa-Carleton can be illustrated by examining particular interactions within the existing institutional framework. A key contradiction is that many community agencies, which are often chronically underfunded, and providing valuable and needed services to the socially and economically marginalized, claim that they are being coerced into taking on workfare placements as an adjustment strategy.[10] A related contradiction that has emerged with some community agencies is summed up in a previous report on a community work program in Toronto called the Job Incentive Program (JIP): "Agencies are getting desperately needed workers that they don't have to pay".[11]

In effect, different 'reasons' for workfare are deployed as part of the provincial and regional governments' communications and social marketing strategies. Ultimately, as this quote tellingly illustrates, the program will not be successful unless the employing organization benefits from the new labour-power in excess of the costs it presents. This equation is no different than that of any employer within a competitive market structure. Workfare workers, however, do not retain the same rights as other workers, and may in fact erode existing paid employment to the detriment of all classes of worker. That is, if the financial capacities of the organization in which they work are good or improving, some cannot hope to improve their situation through established institutions of collective bargaining, which threatens the rights of all who do. The struggle to gain equitable entry into the regular labour market and to fight to improve economic conditions must also be encouraged and protected by both kinds of

[10] See "Doing Less with Less": Report on the 1997 Community Agency Survey, Social Planning Council of Ottawa-Carleton-Carleton. April 1998 for more on the challenges and adjustment strategies facing these organizations.
[11] 1995 Final Report on the Metro Toronto Job Incentive Program.

workers. Organizing the unorganized is an important union principle that needs to be maintained and applied in these situations.

Different community agencies have indicated a diverse range of concerns about workfare. These concerns can be divided into two types: concerns for the welfare of the community agency and concerns for the welfare of social assistance recipients. Workfare in Our Community, a January 1996 report prepared for the Sandy Hill Community Health Centre by Elizabeth Kwan, identified both these types of concerns, as did the September 1996 report of the Community Information Forum on Workfare.

A series of events held in Ottawa in 1996-97 by community agencies on the subject of workfare, including a community agency conference on the issue organized by three groups operating out of the Community Health and Resource Centres (CHRCs): the Centretown Social Workers, the Volunteer Coordinators and the Ad Hoc Commitee on Workfare. While all groups, if given a choice, would not support workfare, the fear of repercussions following the Centres' non-compliance was an immediate concern. They also shared considerable fears that workfare placements would be tied to the funding of CHRCs. The general consensus among these groups (at least in 1996) was that mandatory workfare would not work in Ottawa-Carleton because of the already high unemployment, inadequate government investment in the program, regional labour market adjustments, and the lack of good and affordable child care. 'Mandatory volunteerism' was seen as like to create problems for host organizations.

In this sector, there also are varying perspectives on the participation in workfare activities among those who remain opposed to the Harris government's attacks on the poor. One reason for this, which reinforces the notion of the 'extended local workfare state', is that the threat of the withdrawal of provincial or

municipal funding is seen by some community organizations as warranting a 'positive attitude' towards participation in the community placements program in order to defend (or not threaten) future funding arrangements (Kwan, 1996).

The Community Information Forum on Workfare, held at Le Patro in September 1996, was sponsored by the Social Planning Council of Ottawa-Carleton, the Volunteer Centre for Ottawa-Carleton, Labour Community Services, Ottawa and District Labour Council, and the Social Assistance Recipients Council (now defunct). The panelists included the RMOC Commissioner of Social Services, Dick Stewart, and representatives of the Ontario Ministry of Community and Social Services (MCSS), the Social Assistance Recipients Council,[12] Entraide Budgetaire, the Volunteer Centre of Ottawa-Carleton, the Canadian Union of Public Employees (CUPE), and the Kanata Chamber of Commerce. This was an important forum in which 105 organizations and agencies participated, as well as 170 individuals. The Forum was directly relevant to the question of workfare strategies, as it was based on "the need to bring community members together to discuss workfare and to prepare for upcoming regional government consultations of Ontario Works" (Social Planning Council of Ottawa-Carleton, 1996b).

In Ottawa-Carleton, a workshop called "Implications of Workfare for the Voluntary Sector" was organized by the SPC and partner organizations[13] in 1996. Andrew Mitchell[14] and Ian Morrison of the Metro Toronto SPC discussed

[12] The representative currently does advocacy work with The Anti-Poverty Project (TAPP).

[13] Partner organizations included Labour Community Services, the Volunteer Centre of Ottawa-Carleton, the ODLC. PSAC. CUPE District Council, and Lowertown Community Resource Centre.

[14] Andy Mitchell has been a program director at the Metro Toronto SPC since 1987, and works on social and economic policy analysis, with a focus on poverty, income maintenance and taxation issues. He is the author of Guide for Family Budgeting (1991), Unequal Futures: The Legacy of Child Poverty in Canada, A Look at Poverty Lines, The Impact of the New Federal Child Benefit on Families in Toronto, Welfare Reform in Ontario: Turning Point or Turning Back?, The Outsiders: The Prospects for Families in Metropolitan Toronto, and Young Workers in Toronto's Triple-Digit Recession. He is also the editor and writer for Workfare Watch. a project of the OSSN and Toronto SPC. The purpose of Workfare Watch is to

workfare for an audience of community agency staff and board members. Around 70 community agency staff attended an additional workshop the next morning. A response sheet that was handed out to attendees contained questions about their planned involvement in workfare activities, including the following:

> What decision, if any, has your organization taken in respect to workfare and what are your plans in the future? What activities would you like to see in Ottawa-Carleton?

Workshop organizers and speakers encouraged community agencies to take a position on workfare based on all available information. The SPC indicated its opposition to mandatory work for welfare (or 'travail obligatoire'). In a motion passed at a board meeting the following week, the SPC affirmed its opposition to "mandatory work-for-welfare". The motion also indicated that the SPC would maintain communications with RMOC but would not participate in the development of a local Ontario Works service model. Further, it committed the SPC to come up with "activities which provide clear alternatives to workfare". Reasons for the SPC's opposition to workfare included the following:

- it is a violation of the human right to freely chosen work as established in the Universal Declaration of Human Rights;
- it places the onus of responsibility for unemployment on individuals, not labour market conditions;
- it reinforces the idea that only through participation in the labour force are individuals engaged in meaningful work, or that work is the only way in which "individuals gain their dignity and self-worth";
- it devalues community-based work by having it performed under mandatory conditions by individuals without experience or training;
- it devalues the voluntary sector and voluntary work, "which is something that individuals do by choice and without pay";
- it falsely promotes the idea that "community placements will lead to a paid job";

"monitor and report on developments on workfare in Ontario and stimulate debate about alternatives to workfare" (SPC. 1996).

- it puts downward pressure on wages and displaces current workers in the (paid) labour market;
- it creates a bias in the allocation of program access and support from categories of social assistance recipients who are not the most readily employable; and creates a bias in the allocation of programming away from existing employment and employability services.

One 'whereas' stated that mandatory work-for-welfare "assumes that individuals are responsible for their lack of work and thus allows government to withdraw from its responsibility in dealing with the larger problem of unemployment and sufficient number of jobs". Another aspect of workfare as labour market policy is that it "excludes and denies access and support to certain categories of social assistance recipients facing significant barriers to employment by focusing on recipients who are the easiest to place". That is, people who want and need access to active labour market programming are denied it, while mandatory programming takes on a punitive cast for those 'with requirement'. The last point took on greater importance with the passage of time, reflecting a shift in thinking away from 'full employment' towards 'full employability'. The cost-driven trend towards directing resources to persons most able to benefit from employment and training programs is also characteristic of the post-July 1996 federal EI system.

The period of 1996-1999 saw a readjustment in the local mode of governance, demonstrated in the shift away from advocacy and social activism (Jenson and Phillips, 1996). The reinterpreted frame for community-based organized has been to shift from a focus on the 'problems' of government cutbacks, towards community-based 'solutions'.[15] One result of this changing regime of representation and governance is that a significant number of community organizations are participants in workfare programming.

Organizations involved in activities 'on workfare' in Ottawa-Carleton have, in general, adjusted their strategies and discourses since the early part of the first mandate of the Harris government. In 1996, Social Planning Councils across the province held sessions for the staff of community agencies, briefing them on the new legislation, and several community forums on workfare were conducted. In Ottawa-Carleton, the SPC's community committee on workfare was somewhat ambiguous in its mandate, being open to all organizations and agencies who would provide expertise or any resources pertaining to "organizing any future activities relating to workfare" (Social Planning Council of Ottawa-Carleton, 1996). This group came to include workfare-participating organizations, compromising the SPC structure of representation by tying it more closely to municipal, provincial, and community agency sector funders.

There is a significant degree of integration across a number of regional initiatives and through the strategic-relational intersections between the state and community sectors. The Regional Task Force on Poverty, which drew on the work of the earlier People's Hearings group, is linked to the Regional Task Force on Employment, the Caledon Institute and The Ottawa Partnership in its perspective on poverty. All of these developments are indicative of the emergence of a 'made-in-Ottawa' local workfare state.

Based on the Ontario Social Safety NetWork's 'Neighbour-to-Neighbour' campaigns, the People's Hearings on Poverty in Ottawa-Carleton led to a series of recommendations for the regional government in helping people living in poverty. This model of community-based poverty reduction is based on four principles: (1) poor persons are not defined as clients; (2) disadvantaged populations and neighbourhoods are empowered in governance practices; (3) economic and social goals are integrated; and (4) existing skills are recognized

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[15] See also Jenson and Phillips. 1996. for a discussion of this at the federal, provincial and municipal level.

and new skills are developed (Task Force on Poverty, 1999: 9-10). Interventions by state and non-state agents of change are aimed at (1) meeting basic needs, (2) removing barriers, (3) building skills, and and (4) promoting economic development.

Many recommendations from the Interim Report of the Regional Task Force on Poverty were based on recommendations from the People First report from the earlier People's Hearing inquiry into the lives of low-income people in Ottawa-Carleton. Two aspects of these reports were notable; first, how the watered-down recommendations were very minor with the exception of new regional grants for the community sector in some instances; and second, how the essential thrust of the approach fit quite neatly within the contours of 'full employability'. This local mode of governance may involve attempting to invest the Ontario Works CP envelope in projects that can best provide meaningful opportunities and meet the social needs of social assistance recipients. Even if this scenario is momentarily accepted, there still are new contradictions associated with the emergent workfare state, which require the redefinition and transformation of community agencies in order to operate.

The dominant 'community-based' solutions to poverty reduction have been criticized for facilitating broader neo-liberal solutions, replacing the role of the state in providing income support and shifting the focus of government programs towards support for community-based employment (Gorlick and Brethour, 1999; Shields and Evans, 1998, 1996; Leduc-Browne, 1996). The integration of 'social and economic' policy objectives should be taken to mean precisely this. As noted by the Task Force on Poverty in its Interim Report of July 1999, "community approaches have a direct economic purpose, and incorporate methods employed by the private sector" (Regional Task Force on Poverty, 1999: 9). The assumption that solving poverty is based on integration

with the private sector is not problematized in the report of the Task Force on Poverty.

The Task Force also noted that "(a)ny group or organization providing social services, neighbourhood or peer support can become the base for skill training; employment brokering; assistance with job search; or worker co-ops" (Regional Task Force on Poverty, 1999: 9-10). Many community organizations receive funds through the Ontario Works programs and the regional social services department for providing these functions within the Community Participation and under the Employment Supports component of Ontario Works. Community-based solutions to poverty are not intrinsically neo-liberal and do not need to be formulated in these terms. At the same time, some of the recent conclusions and recommendations in regional reports reflect the 'lowered political horizons' since the implementation of Ontario Works in Ottawa-Carleton. This situation can be likened to making 'lemonade' from a 'lemon'; that is, accommodation, not resistance, becomes a leading characteristics of local anti-poverty strategies to the extent that 'anti-poverty' work becomes dominated by the extended state representation of low-income earners and social assistance recipients.

A 1999 report by the Coalition of Community Health and Resource Centres, Great Expectations, while noting the challenges faced by the underprivileged in Ottawa-Carleton, also made a number of conclusions with respect to needed improvements in the social infrastructure. These included increased funding by "a minimum of 20 percent" for community agencies in order to support staffing and programming. The report called upon "government, business people, volunteers, community-services staff, social assistance recipients and local residences" to "help extend community participation and volunteer support", by investing "in programs that create opportunities for people as well as those that maximize volunteer contributions" (South-East Ottawa Centre for a Healthy

Community, 1999: 8). In the next regional budget, they eventually received the request for funding, through the savings in the social services envelope due to declining welfare rolls.

To what extent can welfare recipient participation in the CP program be considered voluntary? The implementation of Ontario Works in 1996-1999 took place within a maelstrom of contradictory claims made by many different parties that workfare was a mandatory, and not a voluntary program. In Ottawa-Carleton, as elsewhere in the province of Ontario, program participants are ostensibly 'allowed' to choose between three options under Ontario Works. Given that this 'choice' is negotiated between the 'participant' and the caseworker, much depends on the caseworker's approach to case management and the departmental requirements for participation levels. In this light, many advocates, workers, and administrators alike regard Ontario Works as a mandatory program. The measurement and evaluation of 'compliance' and 'non-compliance' need to be examined more closely. What no statistic can show, however, is the structuring of outcomes that stems from the relationships between caseworker and recipient, between caseworker and supervisor, or between regional and provincial officials.

One of the most important aspects about Ontario Works prior to May 1998 was the confusion created by the fact that workfare, i.e. Ontario Works, was described as 'mandatory' and that community placements were deemed 'voluntary'. This perception held as well for a number of actual Community Placement employers. In April 1998, the manager responsible for Community Placements indicated that the Region was not involved in 'workfare', but in 'voluntary work experience in the community'.

Regional policy officials maintain that participation in the program is indeed voluntary. A community placement program coordinator in Ottawa-Carleton described her job in the following way: "I take great satisfaction in creating a win/win situation where both the volunteers and the agencies are getting their needs met"[16]. One of the weaknesses of the voluntary/mandatory dichotomy is that often an individual social assistance recipient is given choices but, as they proceed through the system, the range of choices is whittled down until they are cut off from the system entirely.

To a large extent, it also appears that much of the question of choice and coercion is predicated on the particularities of individual client-worker relationships. It is reasonable to conclude that a social assistance recipient presented with a range of choices as to which community organizations he or she could volunteer for is not, in itself, the basis of workfare. The specific relationship between consent and coercion behind participation in the Community Placements program in Ottawa-Carleton leads to the conclusion that there is a continuum of mandatory-voluntary activities. The specific circumstances of each participant, and the social structures behind these circumstances, matter a great deal in the determination of where and how Ontario Works and the Community Participation program are experienced as mandatory, coercive and oppressive.

Class Politics and Workfare: Strategic Directions and Divergences

An important development brought about by the massive changes to social welfare and labour market policy since the election of the Harris government in 1995 is the return of class-based resistance movements. Social action and defence organizations of the unemployed and non-employed have initiated strategies

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[16] Region of Ottawa-Carleton-Carleton. *The Phoenix*. Year End 1998 Issue. "Cathy Martin uses marketing skills and innovation to help her clients". p. 7.

that mark an important step away from strategies of state representation. Shut out by first the Rae and then Harris governments, this has been necessary, although it has yet to provide gains beyond specific, limited outcomes (e.g. the reversal of individual welfare eligibility decisions). But the marshalling of forces for the Days of Action strikes targeting the provincial government's policy programme writ large, was an important development, culminating in one of the largest demonstrations in the history of Queen's Park. Since that time, however, labour and community forces have become somewhat disoriented, and the Harris government returned to a majority government and a second electoral mandate.

In Ontario, labour is still debating the merits and pitfalls of two different paths – the parliamentary strategy of electing the NDP and the direct approach of general strike action aimed at both employers and the existing government. These strategies are not necessarily mutually exclusive, but unless significant coordination and resources are put into organizing outside of the state, in an *extra-parliamentary* way, the effective choice becomes the electoral route to change. It should also be noted here that extra-parliamentary action is not confined to mass general strikes and other forms of industrial action, but also alternative projects of community building through support of anti-poverty and anti-workfare organizations.

It is important to recognize differences within the union movement and between individual unions in Ontario. Some unions have been more active in the fightback than others. The Ontario Federation of Labour (OFL) has fought the provincial government on its workfare agenda and continues to develop activities around this project. Unions such as the Canadian Autoworkers (CAW), the Canadian Union of Public Employees (CUPE), and the Ontario Public Service Employees Union (OPSEU) have also fought active campaigns against the

introduction of workfare in their workplaces and communities. At the same time, many unions are not active in the fightback, and some individual unions (e.g. CIPP in Ottawa-Carleton, a company union, but also CUPE in Hamilton) have viewed workfare as a benign program.

Shortly after the government announced its legislative intentions in social policy reform, sections of the trade union movement, already engaged in a running 'war of position' with the Harris government, quickly announced their intention to fight the government on its workfare agenda. Such was, and is, most clearly the case with the union leadership of both CUPE and CAW at the provincial level. One of the ways in which labour attempted to exercise its power in preventing implementation of the program was by applying pressure on local United Way not to fund organizations participating in the workfare program. Sid Ryan, the president of CUPE Ontario, calling for a boycott of all participating agencies, emphasized the point that organizations providing valuable community services must still respect labour rights. Similarly, Buzz Hargrove, president of the CAW, in a letter to Ontario locals, noted that:

> By conscripting tens of thousands of poor people into virtually forced labour, it undermines the bargaining power and working conditions of all workers in Ontario—especially those in the public and non-profit sectors, many of whom will now have to directly compete with workfare to keep their jobs. Workfare workers will not even be covered by most basic labour law protections (such as the right to organize). Workfare will divide communities, and nowhere is this more clear than with the United Way campaigns which we have supported so energetically over the years. Some United Way agencies may decide to accept workfare workers—the lure of cheap labour blinding them to the social pain caused by this program. Others may be forced by the government into taking on workfare workers; since the government is anxious to make

workfare a 'success', it will pressure government-funded charities into participating.[17]

The United Way held a 'neutral' view on workfare, and was unprepared to take an activist stance. As a result, anti-workfare initiatives on the part of union activists involve in United Way campaign work involved other means of achieving these goals within a less combative framework. In the 1997 United Way workplace fundraising campaign in Ontario and Ottawa-Carleton, trade union activists' strategy regarding the United Way involved promoting the use of an 'exclusion check-off' on donations, through which resources are directed away from workfare certain organizations. In order to provide a 'no workfare' option to workplace donors, both the trade unions and the United Way required lists of participating organizations, as United Way representatives claimed to have no way of knowing who was and who wasn't participating in workfare.

Local research on participating organizations suggests that as well-meaning as labour's campaign against United Way participation in workfare may have been, the number of participating UW-funded organizations has been small, exceeded by the number of unionized workplaces that were workfare hosts. UW-funded organizations in the ODLC data on participating organizations included the Boys and Girls Club of Ottawa-Carleton, the Canadian Hearing Society, the Good Companions and the YMCA/YWCA. Unionized workplaces in the ODLC data included the City of Kanata (CUPE), the Humane Society of Ottawa-Carleton (CUPE), OC Transpo (ATU/CUPE), Ottawa-Carleton Catholic School Board (CUPE), the Roberts/Smart Centre (CUPE), Rogers Community TV (UBT), the Royal Ottawa Hospital (CUPE) and the Youth Services Bureau of Ottawa-Carleton (CUPE).

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[17] See "Re: Workfare and the United Way". Letter to Ontario Presidents and Recording Secretaries from Buzz Hargrove. CAW President (August 29. 1996).

Four organizations were members of the United Way. This is of some significance, as representatives of the local United Way and other concerned organizations have maintained that they are unable to collect data on which of their member organizations are currently participating in workfare. In 1994, 71 percent of all money raised by the United Way came from employees, who typically donate through joint labour-management workplace-based fundraising campaigns.[18] Unions, including CUPE and CAW, have taken strong stands in a number of ways against the participation of United Way agencies in workfare for various reasons.

Similarly, the Ottawa-Carleton Women's Credit Union, which also had a workfare placement, came under pressure from the community to withdraw from the program. A notable contribution to this pressure came in the form of a letter written by the president of the CUPE District Council to the credit union, indicating that the Council would withdraw its account unless the OWCU ceased to participate. Eventually, the board of the credit union terminated involvement with its placement, with board members being informed upon questioning that "the (placement) didn't work out".[19]

This points to what may be a significant weakness in the existing capacities of the labour movement on the workfare question. Investment of resources in internal education and steward training, incorporating anti-workfare training, could have reduced workfare participation. As seen from the above, the maximal impact of a concerted and politically-risky campaign against the United Way – in terms of reduced participation – was significantly less than what could be done internally. Because CUPE has an official policy in opposition to workfare in the workplace,

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[18] "Unions and Their Members Support United Way/Centraide", Ottawa and District Labour Council, September 1995.
[19] Comments reported from an anonymous member of the Board of Directors of the Ottawa-Carleton Women's Credit Union, January 2000.

with most area locals having collective agreement language on the matter requiring union officials to 'sign off' on community placements in particular workplaces,[20] this is an important contradiction. A related contradiction is that the number of organizations with CUPE-organized workplaces that had placements actually exceeded the number of United Way-funded organizations with placements during the period covered by this research.

Moreover, there are potential contradictions in labour structures that need to be addressed. While provincial union leadership may take a hard position against workfare, as happened over 1996-97 in CUPE, individual affiliates may not always comply with these positions, especially in decentralized union structures. An important example was seen in the case of CUPE-Ontario, when CUPE social services workers in Hamilton came out in support of their 'made-in-Hamilton' workfare program – support later echoed by Ontario Division President Sid Ryan in the local newspaper.

Organized labour historically, through the involvement of its membership and leadership in 'welfare work' in the community, may be partly implicated in the emergence of the new local workfare states. The linkages between individuals within the 'house of labour' at the level of local labour councils and unions, on the boards of community and non-profit agencies, can lead to contradictions at the level of class interests, in which social assistance recipients and workfare placements become the subaltern or 'other' class. There have been cases in Ottawa-Carleton where union representatives on the boards of community agencies claimed to be unaware of the existence of workfare placements in these organizations. There are other cases where unionized workplaces are workfare host sites. Here, workfare is often no longer or never was seen as an issue.

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[20] Notes from conversation with Ken Clavette of Ottawa-Carleton District Labour Council, June 1999.

The question of alliances and the general problematic of representation on the part of unions and social action groups has been a subject of heated debate in the past and the issue of workfare has proved to be no different. Yet, strategic-relational intersections in a variety of different forms exist between labour and the community sector. Unequal alliances between labour and community groups can delegitimize and weaken the overall resistance to workfare. Such an alliance will always tend to be somewhat lopsided, because of the imbalance in resources the two groups command. Unions have a more sizeable membership base, but specialized community groups will probably have more knowledge of the specific issues at hand at the local level. The role of the community sector increases the more local the struggle in question becomes, as the social base of this sector is locally-bound, while unions are the only class-based institutions that operate at the national, provincial and local levels. Both groups, however, still need each other in order to fight effectively.

An important rallying point for some resistance groups, particularly those with a pro-labour perspective, has been the issue of job substitution. In Brighton, U.K., an activist with Brighton Against Benefit Cuts (BABC) noted that, in the case of the employment placement component of the Blair government's New Deal, wage subsidies for short-term private sector positions at the 'going rate' was accused of having such an effect:

> Early indications from my own area (Brighton) are that, rather than creating new posts, employers may well be offering existing vacancies to these 'New Deal' claimants and then pocketing the subsidy.

One notable difference in the class base of resistance struggles is seen in the fact that there has been little success to date with traditional unionization strategies internationally, with notable exceptions in New York City (WEP workers) and

San Francisco (POWER). In Australia, an anti-workfare activist with the Unemployed Workers Union noted that

> Unionizing the participants was problematic. It was only a 12-week course and most just wanted to get it over with. But the final two weeks was scheduled to be 'work experience', at various private employers. We found out who the employers were and rang them, told them we were the Unemployed Workers Union and asked them if they were aware that many of these 'work experience' students they had agreed to host were unwilling conscripts. It turned out they had no idea, they thought it was the usual school work experience, they didn't know these were unemployed people working for their dole.[21]

Another problem with the unionization strategy is that there is high turnover in both individual and organizational participation in workfare programs. The vast sanctioning power of local welfare offices, and past practices of mistreatment of organizers and activists on welfare have also created a climate where many are fearful of voicing public criticism of the program. Thus, autonomous organization of the unemployed in the workfare-welfare system is difficult to establish, let alone sustain.

Tactics targeting actual and potential participating organizations have been more effective in fighting the implementation of work-for-welfare than direct organizing among individual participants. Leafletting strategies conducted at workfare sites have had a mixed result, leading to little recruitment of participants into organizing work. While many participants in Brighton, where such strategies were pursued from a relatively early date in the Project Work/New Deal period, many participants would express their negative

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[21] Bill Bartlett, Unemployed Workers Union activist (Bracknell, Australia), workfare-discuss listserver, 9 May 1998.

feelings about the program; but "our problem has been to go from this individual resistance to a collective response".[22]

Strategic-relational intersections also exist between labour and particular structures of representation within the state. Both unions and local governments have seen workfare as having the potential to erode job security and income protection through downsizing and contracting-out. Negotiation between unions and the state may provide a means to deflect this threat, either in collective agreement language, or by legal prohibitions against workfare in organizations that have laid-off staff in the previous two years.

The existence of such alliances can do little to promote social solidarity in itself and may not even stave off incursions against labour. They do not necessarily reflect the interests of those on the margins of the labour market, with whom the unions also need to build an alliance. Workfare placements are often seen by labour as threatening the employment security of union members, leading to an outlook that sets organized workers against the excluded and unorganized. The unfortunate fact that many working people and union members believe quite strongly in making 'welfare cheats' work for their social assistance also makes this difficult. Anti-workfare positions may interpret workfare-welfare differently, in ways which also may prove contradictory. Can the message of workfare as 'attacks on our jobs' for unionized workers, and as 'attacks on our dignity' for organized welfare recipients be reconciled?

The challenge for anti-workfare unions and welfare defence organizations lies in educating other union members and the general public to regard workfare with the same misgivings as layoffs. In 1996-97, CUPE used the story of the 'workfare

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[22] John Drury, *op. cit.*

cycle'[23] in its membership communications and mobilization materials. The workfare cycles makes it clear that the problem as more than an issue for the presently employed. The crux of the 'workfare cycle' is that any identity as an employed, unionized worker is not fixed; the one-time employed, unionized worker is now a non-union workfare worker. Many anti-workfare activists incorporate concerns about the link between workfare and threats to workers' wages. In the case of Hamilton-Wentworth, a member of a social assistance recipients' group (Hamilton Against Poverty) desperate to gain the participation of local labour in their struggle against workfare wrote to an anti-workfare listserver that "I don't want to be a scab".

In late 1999, the Harris government began its second major offensive to expand workfare into the public sector in Ontario, having failed in its earlier attempt to expand workfare to the private sector. Public sector employment sites with both provincial and municipal employers are the playing field of this new offensive. In February 2000, members of the Ontario Public Service Employees Union (OPSEU), who had failed to bargain collective agreement language on workfare in their last round of negotiations, were notified that management was going to introduce workfare placements. An activist with OPSEU Local 503, a union of workers in the main offices of MET/MTCU in Toronto, sought to gain information about other union struggles at the workplace level:

> (O)ur Local was formally notified by management that the
> employer (which, in my case, ultimately means the Harris
> government) is going to introduce workfare placements into MTCU
> ... Local 503 took the position some time ago – and told
> management – that we would not accept the introduction of
> workfare into our workplace. So, I'm especially interested in
> hearing from any of my brothers and sisters whose unions have
> had to grapple with the introduction of workfare into their

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[23] See the anti-workfare cartoon in the poster included in Appendix 5.

workplaces – how did you mobilize and respond? What works and what doesn't seem so effective?[24]

New workfare targets set out by the province have established the broader public sector as the new battleground for workfare in Ontario. The Ontario Coalition for Social Justice noted this and recommended to labour activists that:

> For anyone in unions – it's going to be much harder to negotiate 'no-workfare' clauses than perhaps a few years ago. But now is the time. If you have not negotiated a clause or have weak language (i.e. would have to result in a layoff) move now . . . have a membership meeting and try to sign a memo to be attached to your (collective agreement). Municipalities will be leaning on transfer partners – this group can include anyone whose funding comes from the province or municipality (including) universities, community health centres, childcare centres, etc. Do this now. Do not wait. The writing is on the wall.[25]

The possibility of an alliance between trade unions and organized welfare recipients, requires that anti-workfare positions are predicated on their common interests in social solidarity around workfare and anti-poverty issues. Outcomes are very much dependent on the strategies pursued and roles played by the various actors. Yet concrete efforts to organize social assistance recipients into unionized paid employment has not occurred anywhere in Ontario since the introduction of Bill 22.[26] No strategies involving the negotiated reduction of working time and the creation of new employment opportunities appear to be on the horizon. Even strategies that unions have a greater capacity to pursue, such as organizing and unionizing workfare workers, are no longer in evidence since the passage of Bill 22.

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[24] From Ian Henderson. vice-president of OPSEU Local 503. post to *OW-Watch-L* listserv. 16 February 2000.

[25] From Andrea Calver. chair of OCSJ. post to *OW-Watch-L* listserv, 17 February 2000.

[26] One notable campaign prior to the enacting of Bill 22 was the SEIU campaign in Thunder Bay. organizing workfare placements.

This leaves social assistance recipients and their advocates with recourse only to extra-legal tactics. One example is the 'direct action casework' approached used by OCAP and other groups. 'Direct action casework' was successful in the defence of a 'conscientious objector' on social assistance who refused to sign the Kingston Department of Social Services' workfare participation agreement. About two dozen anti-poverty activists occupied the office and refused to leave until interim payments for the 'conscientious objector' were secured, pending his appeal. Many individual situations can be addressed through these strategies, and their failure frequently means eviction, starvation, or other serious threats to individual and family well-being. These are frequently 'actions of last resort', and while important, have yet to build to become a sustained and coordinated movement.

Strategies of direct action are sometimes developed by means of expanding resources through the nexus of direct labour-community alliances. The Mayday group of Irish unemployed workers, which includes trade unions and community activists from Dublin, Laois, Wicklow and other localities, has been fighting workfare in a way that involves workers in the local state employment service. In October 1998, Mayday announced a campaign "to demand that Local Employment Service and dole office workers throughout the country refuse to allow themselves to be used to coerce unemployed people into low paid work".[27] Mayday's national spokesperson, Joe Barrett, called for "workers in Social Welfare and Local Employment Services offices and all those concerned with the plight of the socially excluded to make a stand with the unemployed to defeat Workfare".[28]

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[27] "Fighting Unemployment - Supporting the Welfare State." Press Statement. October 3, 1998.
[28] *ibid.*

Intra- and Extra-Class Alliances and Resistance to Workfare: An Uncertain Future

Because no strategy exists in a vacuum, strategic cohesion is contingent on social relations beyond the direct control of any particular strategic agent. Any attempt to outline the interaction of strategies and practices remains only that, an attempt, and as such is necessarily partial. These strategies are both material and discursive, in forms of consciousness and understanding that can translate into meaningful collective action. The hope for a solution remains dependent on the discovery of reproducible or regularizable strategic interactions. In order to approach the question of workfare in terms of transformative strategies, the content of both workfare and anti-workfare strategies must be examined in terms of their interaction.

The ability to organize collectively against workfare depends upon successful strategic interactions among social assistance recipients, workfare workers, anti-workfare activists, community agency staff, and local and provincial government officials. Clearly, not all of these groups can be brought into alignment within any particular strategy, and some are necessarily excluded or face seeing their power reduced within the parameters of virtually all strategies. (Political strategies are never Pareto optimal except in the discourses of brokerage politicians.) The organizing principle among potential alliances must however address the unequal representational resources of those these different intra- and inter-class alliances.

The dismantling of provincial and local mechanisms that provided opportunities for any such strategic coordination (such as was arguably achieved with the *Transitions* report of the Social Assistance Reform Commission in the 1980s) has made this form difficult (see Jenson and Phillips, 1996). This has had the effect of

weakening the pre-existing forms that had the potential of providing coordinated resistance to state strategies. At the same time, of course, it also weakened social citizenship rights, such as the right to freely chosen labour.

One of the critical weaknesses preventing the formation of a counterhegemonic struggle is the gap between what is theoretically possible and the practical attempt to bring about social change through everyday struggle. The changing world of work, the breakdown of social citizenship, and the competing claims of actors vis-à-vis the state and each other, has led to a world of fractured subjects and identities. These identities are difficult to mobilize around a stable and coherent project. It is also important that workfare is a locally-implemented policy. The way in which *local* relations of power are organized, and the relation of *local* dialectics of structure and strategy to struggles in other localities, is fundamental to resisting workfare.

Contradictions in the politics of implementation exist alongside contradictions in popular sector strategies, which as has been seen are not always based in resistance. Yet it is also notable that there is a broad-based anti-poverty resistance movement active in Canadian civil society, including in Ontario and Ottawa-Carleton, working sometimes in coalition with more mainstream social forces and sometimes independently. There is thus both resistance to hegemonic domination and state coercion associated with present-day workfare schemes, and practical day-to-day welfare work[29] on the part of social bloc opposed to the erosion of the welfare state and the rise of the workfare state. Differences and tensions within this social bloc need to be resolved before a broader anti-workfare fightback and progressive employment and welfare policies can begin

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[29] 'Welfare work' is an old term used to described the participation of social groups, including unions, in campaign work raising funds for social and community services (such as through the United Way or Community Chest) to help those in need. It is used here to include actual volunteer and paid work in the community sector.

to win cumulative victories, continuously mobilizing its forces for the next 'fightback'. To do so would create the conditions for a counterhegemonic social bloc, based on organic labour-community alliances that advances the class struggle against the dominant social bloc.

Another more salient factor that has weakened resistance to workfare is that many anti-poverty activists in Ontario view mandatory work-for-welfare as a smokescreen. The 'real story' is the government's agenda of numerically reducing welfare caseloads by any means available. In this perspective, the strategic significance of workfare is its role as a disincentive to going, or staying, on welfare. According to most analysts of welfare-workfare in Ontario, it is the poverty-deepening aspect of the restructuring of social services that directly affects people on welfare. The current structures and practices of mandatory work-for-welfare in future (possibly different) conditions may, however, reveal far more devastating consequences.

Differences within and between segments of the community sector and the labour movement may eventually lead to the evolution of clearer positions and lines of involvement in Ontario Works. These differences, however, remain a barrier to progressive change. Some will continue to work for the reform of an unoriginal, expensive, and regressive policy, remaining sceptical of the desirability of direct action unionization strategies. Others may orient themselves towards industrial action against workfare and immediate improvements for workfare workers, depending on the degree to which social assistance recipients share a *collective experience* of labour exploitation under Ontario Works. Such strategies may or may not aim at the replacement of a mandatory private-sector regime with a better-funded voluntary state and community sector employment system, but involve increasing the labour payment from the state and/or the employer.

The importance of combining action strategies in relation to local, provincial, federal and supra-national structures of representation with strategies of participation in the development of a broad-based social justice movement cannot be overstated in breaking down the 'inside' and 'outside' dichotomy that underlies state power. Many local anti-poverty groups and coalitions have been active in the 1990s throughout Ontario. Notable instances including the localities of Toronto and Kingston, which have taken a relatively successful direct action approach to fighting welfare-workfare. While by no means are all direct action tactics successful (particularly when they are essentially symbolic in character), their resurrection in the political landscape in Canada and Ontario is noteworthy. The Ontario Coalition Against Poverty (OCAP) has been one of the most militant and visible anti-poverty and anti-workfare organizations. Also active and closely associated with the Ontario labour movement is the Ontario Coalition for Social Justice (OCSJ), which although based in Toronto has a more provincial mandate.

In many instances, the aims and interests of persons and groups fighting against the implementation of workfare have been unclear and somewhat ill-defined. A wide range of societal and policy alternatives are advocated, ranging from some form of mandatory system (eliminating only the most pernicious of post-1995 reforms) to the establishment of a guaranteed income. Importantly, a socialist perspective is also advocated within the front lines of the anti-poverty and most especially the anti-workfare movements. The use of extra-parliamentary strategies and tactics has become especially important in their work.

Many anti-poverty and anti-workfare activists can be found in the community agency sector, including both clients and workers. But what of organizations involved in the delivery of training and employability programming, now

funded through Ontario Works dollars? Are they able to maintain their activism against the government's workfare program, and how do they choose to act? At this time, there exists no local labour-community formal alliance in opposition to workfare, let alone one capable of articulating a counterhegemonic project. Even reformist struggles are woefully inadequate to the enormity of the task (see Task Force on Poverty, 1999). Measures aimed at changing actual social practices from 'workfare' to 'fair work' or 'meaningful employment' face a daunting challenge. Whether particular local labour and social movement actors are up to the challenge, or whether they become co-opted by local and provincial state structures, is perhaps the ongoing central question of this unfinished process.

Projects and strategies to fight unemployment, welfare cutbacks, poverty and workfare in Ontario by community groups and organizations at the local level are notable as pockets of resistance. The articulation of these projects overall is derived from the relationship between social action and the local and provincial state structures, conditioned by both ideological and material factors. Social action includes individuals in a variety of social movements, including organized labour, as well as movements of the unemployed and people living in poverty, involved in challenging the power of the government, workfare employers and others. Local and provincial government and social services workers may be also be participants in social activism, although often this is circumscribed by their role as state representatives (especially in Ottawa-Carleton in the 1990's) and, quite possibly, by their role as trade union representatives.

There are also varying degrees of cooperation and competition between different organizations that claim to represent unemployed workers and the poor. These may be based on ideological differences informing the interpretation of the causes and consequences of unemployment and poverty. There may also be programmatic differences between groups that mobilize for basic needs and

material support in the here-and-now within the existing policy framework, and those that seek to destabilize the existing policy framework. Finally, there may be differences in goals based upon organization for group-specific material interests, such as the desire for meaningful employment in the paid labour market or the recognition of the work involved in raising children.

Apart from the risk of ideological differences leading to competition over the 'cause' between organizations, another obstacle to class-based mobilization is the question of the degree of separation between leaders, representatives and participants. Divisions of this nature work against class-based mobilization based on a plurality of experiences, perspectives and voices. The material basis for the latter form of mobilization is shared experience and awareness of poverty and unemployment among participants, and the hope that collective action can create some change in everyday life.

A fundamental aim of social activism against welfare cutbacks and workfare is to empower and mobilize communities of interest; people who are living in poverty and the unemployed. The degree of mobilization is seen in the growth of organizational activity and the increase in the number of participants involved in organizational projects and strategies. Degrees of empowerment are shown in the role of participants in formulating strategies, their satisfaction in working together to meet common goals, and improvement in their quality of life.

The visibility of organizations that attempt to empower and mobilize marginalized segments of the community tends to vary. Differences across localities in terms of types of community organizations and their strategic orientations are, of necessity, interpreted keeping in mind the problem of group visibility in community networks, engagement with local state consultative or other 'voice-giving' structures, and media coverage. More difficult to determine,

although essential, is group visibility within the respective communities of interest. Given both the number and (in)visibility of persons living in conditions of poverty and unemployment, and their lack of contact with one another, the role of any community organization, no matter how 'grass-roots' and internally participatory in structure, takes on a representational character.

Current research in Ottawa-Carleton on social assistance and workfare trends presents an important message about the daily conditions under which those hoping to find a job live and work. This research, which is based on the experiences of people on social assistance, contributes to the evidence of institutional contradictions in the discourse and practice of 'jobless work', 'mandatory volunteerism', and a 'hand up, not a hand out'. Perhaps the most important contradictions here are encountered between discourse, policy advocacy, and social practice. These need to be concretely resolved in order for a solidaristic resistance-based project against workfare to be successful.

Some form of union of the unemployed, run by and for unemployed workers of all kinds in solidarity with the rest of the labour movement, is sorely needed. At the same time, the depth and severity of welfare poverty in Ontario impedes the capacity and willingness of many of the long-term unemployed to resist. This can be a fundamental barrier to political or industrial action, at least on the part of this class fraction which is relatively small at the moment. As the industrial reserve army population grows, the risk to the maintenance of a civilized society tends to increase, and civil disorder becomes only a matter of time.[30]

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[30] In times when the economy and labour market are producing enough jobs for the employable working age population, the tendency is for the industrial reserve army to decline. At the same time, increasing economic polarization associated with the dominant post-Fordist models changes the industrial reserve army qualitatively and quantitatively.

Labour-community alliances require an active leadership capacity from the ground up, from those directly affected by government policies. Until that day, the co-optation of community organizations by legislative fiat, threats of withdrawal of funding, alliances with the private sector, and appeals to self-interest will be an ever-present danger, weakening potential progressive alliances aimed at 'ending workfare as we know it'. Lessons learned elsewhere may prove useful here. One is that autonomy is necessary and desirable for these new organizations. Funded organizations and projects evince the possibility of similar kinds of institutional contradictions, based on the implicit or explicit co-optation of some actors by others. Bill Bartlett, of the Australian unemployed workers' movement, emphasizes the need to simultaneously organize against the state as well as against careerist politicos in local labour and community circles:

> In Melbourne (Australia's second largest city), receipt of government funding split the unemployed workers union down the middle. The longest serving activists took their government funding and set up 'Job Watch', an organization dedicated to monitoring shady employment and hiring practices. The majority of remaining activists were now overwhelmingly of an anarchist bent and they began a series of energetic campaigns to snuff out the emerging seeds of workfare. These campaigns, a howling fury of propaganda, succeeded in alerting some of the traditional trade union officials to oppose and stifle these early pre-workfare initiatives. Other trade union bureaucrats, particularly those with a hankering to get their bums into a nice comfortable leather seat in Parliament, became quite frustrated by the screaming banshees of the unemployed workers union. The Trade Union Unemployment Centre was born. This was an exclusively Victorian trade union initiative and its coordinator freely admitted (privately) that undermining the Unemployed Workers Union in union ranks was its central objective. (Barrett, 1998b)

Serious concerns have been raised about the sustainability of workfare as a coherent state strategy, but much depends upon the ability of social actors

engaged in resistance to workfare to organize and collectively formulate strategies. The possibility of a coherent and sustainable resistance must rest on the resolution of institutional contradictions that impede the self-organization of actual and potential workfare workers. Both public and private sector unions need to build genuine and equal alliances based on principles of autonomy and social solidarity with the organizations of social assistance recipients and workfare workers.

Unions need to work together with social action groups and workfare workers in a way that recognizes the latter's autonomy and agency. Operational and organizational support for such autonomous bodies on the part of union activists is also required. The contours of a possible labour-community alliance aimed at subverting workfare policies in Ontario has yet to be elaborated and defended and, at the conclusion of this research, some recommendations for social and labour movement actors will be presented, based on the preceding theory and evidence.

The institutional contradictions of workfare have a bearing on possible resistance strategies. It is essential for community organizations to recognize union concerns about contracting-out and the erosion of their membership's collective agreement rights. On the other hand, if organizing strategies involve social assistance recipients and workfare workers in mobilizing against workfare solely on the basis of trade union interests, there is little chance that the situation of these 'tertiary' workers will be improved.

Chapter Six

Conclusion

Summary: Contribution of Chapters to the Thesis

The following summary demonstrates how the organization of this work addressed the thesis question and argument.

Chapter Two, "Workfare and the Schumpeterian Workfare State" establishes the theoretical framework for the consideration of 'broad' workfare within the overall discussion, focusing on the shift from the KWS to SWS, the decline of full employment and the rise of 'full employability', and the question of the transition from Fordism to post-Fordism. The contradictions and challenges of the variants of the SWS are also elaborated upon. This chapter also establishes why the research is of both theoretical and political interest – new research into the 'form and functioning' of local welfare-workfare, as well as ideology, hegemony, and dialectic of consent and coercion in workfare-related social practices.

The elements of a regulation perspective on workfare are described and partly problematized. A conceptual distinction between workfarism and full employability is put forward; suggesting that they be read as somewhat different but related paradigms (abstract). The concept of workfarism as a state strategy is considered in light of a theory of how workfarist state projects mobilize consent (the ideological state apparatus), and the associated mode of regulation. There is a need to incorporate an approach sensitive to agency, long-run historical forces, and shifting political identities. Jenson's discussion introduces an important part

of the framework for thinking about resistance movements, a topic pursued in greater detail in Chapter Four.

This chapter considers the variants of workfare, its periodization, and elements of the 'old' and the 'new' in contemporary workfare. An outline of the common characteristics of the SWS is provided, and the blending of 'ideal-types' in practice noted. The neo-corporatist, neo-statist, and then the dominant neo-liberal elements of workfare are all considered in this light. The dominant pattern of neo-liberal state restructuring projects in Ontario and internationally is problematized in terms of the enhanced role of the private and voluntary sectors. The question of sustainability is first posed here. Contradictions are noted with not only with neo-liberal approaches, but also neo-corporatist 'workfarism', and the existence of a punitive approach on the part of social democratic governments as well as 'harder' neo-liberal ones. The role of the Fordist local state is described, as well as the impact of the crisis of Fordism on the local state policy and the rise of the 'entrepreneurial city'. Examples of the 'blended' (neo-corporatist and neo-liberal) aspects of the SWS at the level of the local state are noted, and reasons for this explored. The increased importance of support for both accumulation and legitimation by local states is also noted.

This chapter contributes to the argument by: (1) establishing workfare as a new form of the social wage in a post-Fordist social mode of economic regulation; (2) recognizing the uneven development of hollowing-out processes; and (3) problematizing the sustainability of 'workfarist' projects. Ultimately, workfare is recognized as a qualitative shift, as something new. The relationship between labour market conditions and hegemonic support base for workfare is noted. Serious questions about the potential contradictions of workfare are raised, however, which are explored in greater detail in successive chapters.

Chapter Three, "The Origins and Evolution of Workfare and Ontario Works", demonstrates that workfare was a historically-embedded process at work within the provincial state well in advance of the election of a government ideologically supportive of 'mandatory work-for-welfare'. The 'institutional contradictions' of workfare are elaborated. Several contradictions are noted at the outset: the job substitution effect, where the line of the unemployed is merely shuffled and the creation of obstacles to finding and retaining paid employment. The tendency for workfare to contribute to a crisis in 'underemployment' is also noted. Further contradictions noted and explored include deterrence through increased bureaucratic red tape and eligibility restrictions, thereby externalizing social costs; and increasing per capita social costs for monitoring and policing. The contradictions of workfare as a labour exploitation strategy are briefly surveyed.

Other problems with workfare addressed throughout this chapter include limited access to meaningful employment supports and training as a result of creaming, or the selection of most employment-ready candidates for participation in programs. At the opposite end is a phenomenon called churning, or the disqualification and reapplication cycle for welfare recipients where they cannot meet ongoing obligations. Also noted is the deadweight effect, where resources are spent on the monitoring and mandatory programming for recipients/participants who would have found employment in the same amount of time on their own recognizance.

This chapter tells the story of welfare reform under the Harris government, beginning with the welfare rate cut of 21.6 percent in July 1995, by situating developments with an historical chronology of social policy reform both in the 1990s and throughout the century. The gender bias in provincial social policy, in the case of the reclassification of single mothers from FBA to Ontario Works, and the 'spouse in the house' rule is noted. The full extent of provincial government

cutbacks on the community and social services sector is chronologically documented, as is the change in the income from social assistance earned by Ontario welfare recipients over time. The Social Assistance Reform Act (SARA), Ontario Disability Support Program (ODSP) and Ontario Works Act (OWA), as well as related welfare-workfare legislation is surveyed, and the Ontario Works program – as well as its program components – is outlined and explained. Both the 'activation' and 'deterrence' aspects of the Ontario Works model are put into context of workfare and Ontario Works considered as both a social relation and a program or 'service model'. The theoretical aspects of workfare as state strategy are integrated into this account.

This chapter contributes to the argument through introducing processes of policy negotiation, implementation and resistance. Additional descriptions of concrete 'institutional contradictions' of local workfare, including for various entities including the local state, community agencies, and trade unions are provided. Evidence in support of 'centralized imperative coordination' is cited. The argument made concerning existing labour market conditions as framing support for and lack of resistance to workfare introduced at the conclusion to Chapter Two is expanded upon. The limited scope of local resistance is also noted.

Chapter Four, "The Implementation of Ontario Works in the Ottawa Labour Market", shows that existing labour market structures and conditions have helped to sideline workfare as an ongoing concern for low-income people, whether working or on social assistance. The growing challenges and social polarization within the expanding labour market are seen as raising a 'red flag' for future sustainability, particularly in the event of a labour market downturn. Similarly, existing data on participation is surveyed, leading to the conclusion

that although workfare has been well below provincial targets, there is a broad base of organizational participation.

Notable strategic aspects of the profile of organizations include the number of industrial and professional associations as participating non-profits, who are located in Ottawa due to the presence of the federal government; significant variation in the size and resources of participating organizations; and the presence of many local and provincially funded organizations, United Way organizations and unionized workplaces. The variety of occupational types, and the existence of a supply-demand gap in community placements are also noted. The implications of these findings for resistance projects are taken up in the following chapter.

Chapter Five, "An Emerging Local Workfare State in Ottawa-Carleton", begins by recognizing the importance of analyzing the conditions for resistance, in light of the role of "indeterminate political and social struggles". This chapter examines in detail developments across Ontario and in particular at the local level relating to the emergence of a contradictory and crisis-prone workfare state. The strategic-relational engagement of the state, community agencies, anti-poverty groups, and the trade union movement is described and evaluated. Findings from existing regional qualitative research on the experiences of individual placements are incorporated into this account. The failure of resistance thus far is then contextualized in light of local findings, while future avenues are identified and partly evaluated. This chapter contributes to the argument through demonstrating the underdevelopment of resistance and the emergence of a local workfare state in spite of crisis tendencies of the 'workfare' model in both its broad and narrow aspects.

Conclusion: The Failure of Workfare; The Challenge of Resistance

The contribution of this research to how we theorize the form and function of emergent local workfare states is found in the concept of the extended local workfare state. This local state is understood as extended to the extent that forms of policy delivery are broadened into the community and non-profit sectors, with concomitant sharpening of regulatory coercion of participating organizations. This is a key part of the concretization of the abstract notion of the 'subordination of social welfare policy to economic imperatives'. This theory of an emergent state form accounts for the shift from full employment to full employability, from social cost to social capital, while problematizing the putative Fordism to post-Fordism.

The 'resurgence of the local state' is claimed to be part of our 'New Times' in some theories of post-Fordist local politics (Jessop, 1995; Mayer 1994). Jessop argues that the 'resurgence of the local state' is a result of the hollowing out process. Peck is more cautious, reminding us that constraints on the local state are also established in terms of the external constraint of neo-liberalism. In this research, the evidence tends to support the view of Peck, at least in the social policy domain. Constraints on the local are noted, particularly in relation to the Ontario government. The 'resurgence of the local' story, then, can be contrasted with another: increasing social and economic polarization both within cities and across regions. Power asymmetries within the local-global nexus are such that local policies are currently highly constrained in the final instance by global neo-liberal hegemony. The Canadian and Ontario cases of 'hollowing out' are briefly described. A pattern of 'central imperative coordination' on the part of the provincial government can be demonstrated, questioning the sustainability of 'hollowing out' itself in the absence of meaningful international regulation of the social wage.

As Lipietz (1986) and Mahon (1994) note, the breakdown of an old social order creates many possibilities for those committed to social transformation and a more democratic regime of accumulation. These possibilities await a set of challenges to the conventional wisdom sufficient to win over popular consciousness. There is no guarantee of the realization of these possibilities, or the realization of production and reproduction more generally. They are strongly conditioned by the balance of class forces within the global-local continuum. A stable polity, however, is dependent upon much more than this – the 'chance' decisions of agents in the present also play a role in shaping the future. This is the case in the increasingly localized character of political and social struggles.

In their account of the process of capitalist regulation, Peck and Tickell (1994) emphasize these conditions of social regulation, and note their potential rupturing. They quote at length from Leborgne and Lipietz (1992), who note that

> The present industrial divide is first and foremost a political divide. The search for social compromise . (is) mediated by the nature and degree of political mobilization (which) will decide the outcome. The macroeconomics of the future may be based on a downward spiral of social and ecological competition, leading to recurrent financial, business and environmental crises, or an ecologically sustainable and macroeconomically stable model.

The question whether a new social compromise between capital and labour is really necessary arises. That is, is a social and political struggle necessary in order to secure a macroeconomically and socially stable polity under neo-liberal conditions? Both struggle and compromise presume that labour and capital are able collectively to address and resolve issues such as the division of the social product at a reproducible geographical scale (e.g. the nation-state). In order for struggle and compromise to become possible, we must assume that an alignment

of collective interests against the powers of a unitary actor at the relevant geopolitical scale is possible.

This theoretical approach illuminates not only those paths that exacerbate the crisis of Fordism, but also paths that may provide possible alternatives. The argument that neo-liberalism is a possible solution to the crisis of Fordism and the KWS has been criticized by many regulation theorists.[1] Jessop (1990) notes the operation of factors and forces beyond the logic of the market in achieving market regulation and, like Polanyi, understands markets in terms of their 'institutional penetration'. On the other hand, however, the logic of the market remains primary to all of his variants of the SWS (see critique by Peck, 1996).

There also is general agreement among regulation theorists that revolutionary horizons are receding. New development options remain constrained in terms of a new (capitalist) compromise (Lipietz, 1994; Leborgne and Lipietz, 1992). Peck and Tickell (1994) recognize the need to move beyond neo-liberalism and the social crisis. Neo-liberalism also signals a return to a reference point prior to the rise of the interventionist state, and thus is a revival of the past, not a signpost of a sustainable future (Polanyi, 1944). According to Peck and Tickell (1994) and Lipietz (1996; 1994; 1992; 1988), the purpose of regulation theory is not merely to catalogue existing progressive and regressive changes in the period 'after Fordism'. The advantage of the regulation approach is also derived from its ability to identify premature 'success' stories within the capitalist mode of production.

> Regulation theory . . . has a positive role to play in this process, not in prematurely defining a single, post-Fordist development . . . but in raising macrolevel and critical questions about the sustainability

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[1] This limitation of Jessop's theory of the SWS is noted by Peck and Tickell (1994) and Peck (1996).

– social, ecological, economic – of different development options.
(Peck and Tickell, 1994)

Jessop's conception of the hollowed out SWS as the best political shell for post-Fordism can be questioned when we look at the hollowing-out of social policy vis-à-vis the sustainability criterion. Labour market institutions at the subnational level appear to have been more-or-less ineffective instruments for advancing equity and the redistribution of access to training. The reduced role of the federal state is attributable to low and declining expenditures on labour market programs as a share of GDP. Relatively autonomous from the world of politics and ideology is that of the economy and the labour market, and their associated state institutions. Increasingly, post-industrial workers are finding themselves outside the eligibility framework for unemployment benefits and other forms of social insurance, which actually impedes their employability.

For Jessop, a fundamental part of the political composition of post-Fordism depends on the subordination of social policy to economic policy objectives. It is apparent that there are indeed discernable variants of the discourse of integrating social and economic policy objectives; this is seen, variously, in the theory and practice of many community economic development (CED) initiatives as well as new forms of policy delivery on the part of local states. Thus, a neo-corporatist and potentially even a neo-statist aspect can be seen to uneasily co-exist within local modes of regulation. At the same time, the prospects for the "resurgence of the local" are limited by the external constraints of neo-liberalism. The constraints on the local level have also increased, both as a result of the increasing fiscal burdens, and in increasing 'centralized imperative coordination' from the provincial government in the case of social welfare and labour market policy. Decentralization at the sub-national scale in the Canadian federal setting is essentially between the federal and provincial governments.

Under international neo-liberal conditions, wages and government transfer income are viewed as private and social production costs that must be minimized in order to meet criteria of competitiveness. Competition is also increasingly localized and individualized, with knowledge-based workers and capital increasingly mobile. Jessop defines the workfare state as one in which social policy is also subordinated to, more concretely, labour market flexibility. Workfare is part of a dual competitive strategy that advances the bifurcation of labour markets. It is the 'low wage' counterpart to this 'high wage' competitiveness discourse, within the 'full employability' framework of both 'low wage' and 'high wage' competitiveness.

As a 'low wage' competitive strategy, workfare aims to convert social cost to social capital. That is, socially necessary production, frequently involving services to the poor but also the full scope of the broader voluntary sector, becomes subject to an injection of unpaid labour-power. Frequently, this carrot is offset by the stick of funding losses, and in the case of some publicly-funded service providers such as Community Health and Resource Centres (CHRCs), local and provincial funding partners have indicated that the expectation is that they take on Community Placements. This is often presented by workfare advocates as part of a project of 'inclusion' and 'participation', although it remains ambiguous at best to what extent these practices are experienced in that way by actual participants. The better part of the rationale for workfare then becomes the survival of community agencies, and their ability to offer programs and services to clients and the public.

At this very early date, the question of whether workfare in Ottawa-Carleton can or will be a sustainable ('successful') policy remains open, subject to the as yet unseen responses of local actors and strategic processes. Labour market conditions were an important factor in the public enthusiasm for mandatory

work-for-welfare in Ontario in the late 1990s, which weakened the opposition from those directly affected. Should these conditions change, the viability of current state practices that have shaped workfare as contemporary social and labour market policy may be called into question and the struggle for alternatives gain renewed impetus.[2] Changing conditions and renewed struggle could lead to the failure of old structures and strategies to secure social and economic regulation. The support base for such a struggle must be maintained on an ongoing basis if popular support, once mobilized, is to be taken seriously by capital and the state. In spite of historical failure and serious institutional contradictions, Ontario Works as a mandatory work-for-welfare policy presents a major challenge to anti-poverty and labour activists.

Struggles of both implementation and resistance to workfare occur in the terrain of local labour markets and the broader framework of state employment/ employability programming. The challenges for both labour market integration and organizing both paid and unpaid labour on a solidaristic, class basis are in some senses more profound in Ottawa. Investigations into the structure of the CP program in Ottawa-Carleton at the level of participation data, program implementation, and political discourse open up the possibility for effective interventions. Some of these interventions may originate from social researchers and policy-makers; others, from advocacy groups and other forms of collective self-organization of marginalized groups.

The rise of neo-liberal policies in the 1980s and 1990s represented in some ways a 'default' response to the crisis of Canadian 'permeable Fordism' and fiscal federalism, occurring in the vacuum created by the lack of an organized

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[2] This should not be taken to mean that the current political condition of workfare and its associated societalization imperative is based only or even primarily on an impermanent condition within the business cycle.

counterhegemonic bloc. The neo-liberal global framework for capitalist development is a result of the progressive establishment and the exercise of a shift in the (global) balance of class power. Policy changes within the corporate and personal tax regime since the early 1970s have shifted away from the taxation of capital and profit towards tax cuts and exemptions for capital and, more recently, personal income. The changing balance of fiscal regulation of the state between deficit reduction, debt reduction, and tax cuts has been an important support for capital accumulation in current times.

Growing gaps between public and private investment and consumption are a chronic feature of national regimes within the process of economic globalization for capital. The fiscal system of the Fordist KWS provided (for a time) a means to resolve this contradiction in a solidaristic way, in that free (or highly subsidized) education would recoup the investment through the greater revenues earned due to higher tax rates for those with higher incomes. Increasing prosperity and options for international mobility on the part of higher skilled and better paid 'knowledge workers' in expanding occupations and industries have invoked the spectre of the 'brain drain'. The resulting call for tax cuts amid ongoing social cutbacks thus raises new contradictions for both the state and civil society in the domain of the social reproduction of labour market supply. This can be interpreted as a *strategic* crisis for post-Fordist social regulation, to which any post-KWS must address itself.

Supply-side labour market policies that focus on basic skills training and mandatory community service as a route to employment are ill-suited to a labour market climate characterized by the polarization of skills and working time and the rise of a contingent workforce, as well as chronically high youth unemployment. Instead, it is more likely that workfare, without concurrent policies that emphasize social and community investment as part of real job

creation on the demand side, will act to block initiatives promoting 'good jobs' and reversing the growth in relative and absolute poverty. It is doubtful as well that workfare, at least in its present form, can play a part in any genuinely participant-based active labour market policy regime, either based on training initiatives oriented to expanding industries in the sphere of private production or the labour market requirements of individual clients.

Welfare and workfare in practice must be understood through the observed interaction of developments in the legislation, local state policy implementation, structures of state representation and in the broader political discourse. The dominance of the 'employability' paradigm in social assistance and labour market policy as practiced by provincial and local bureaucracies cannot and does not reflect the simple, 'common sense' view of interventions espoused by governing provincial political elites. Both the 'employability' and the 'workfarist' paradigms together form part of the 'super-structure' of hegemonic domination. This domination is hegemonic precisely because of the mix of consent and coercion in the re-invention of the *welfare recipient* as the *workfare participant*.

Workfare is a short-term strategic response to the crisis of welfare, one that is fraught with contradictions and prone to both short- and long-term failure. At present, workfare in the narrow sense of 'mandatory work for welfare' emerges on the margins of other major transformations in the social relations of production and reproduction/ regulation contained within many different national states. Workfare remains, however, an important qualitative shift in an environment that has placed social policy under greater scrutiny across all of the 'worlds of welfare capitalism'.

In the case of the Ontario government's workfare program, which is but one small part of the establishment of a broader regime subordinating social policy to labour market imperatives, it is too early to make any definitive conclusions about its sustainability. The small number of participants in workfare to date is also a factor behind the reluctance to overstate the importance of mandatory work-for-welfare for the actual, existing population on welfare. Crises in housing, health, childcare, and real employment challenges far outweigh workfare in the struggle against day-to-day poverty. Finally, the introduction of workfare in Ontario has occurred while the economy and labour market conditions have in general improved. Workfare does mark a qualitative shift in social policy, however, which will have a more pronounced impact over time.

Conjunctural class and labour market dynamics intersect in framing the political and economic support base for workfare. In Canada and in Ontario in the 1990s, workers are increasingly divided in terms of the distribution of benefits of long-term growth, while overall labour market conditions are strong. Local research on Ottawa-Carleton confirms this picture (Social Planning Council of Ottawa-Carleton, 1999). Employment income is by far the largest source of overall individual and family income, despite its slight decline over the 1980s and 1990s. This is due to factors such as the aging of the population and a fluctuating balance in the division of the social product between wages/salaries and savings/investments. It is also due to much more flexible labour markets, and a weakening of the stability of the employment contract.

Where labour markets are in a stage of expansion and welfare recipients are able to re-enter the workforce, the punitive impact of workfare and neo-liberal social policy reform, while significant, is confined to a relatively small population. Workers are generally able to find employment within a shorter time period and the unemployed may have better access to training and employability programs

and services. When labour markets contract, social investments in this area are reduced even as demand increases for these services. More workers are unemployed, for longer spells of time. Where there are barriers to paid employment across the working-age population as a whole, unemployed workers seek income maintenance. An increasing proportion of these unemployed workers receive welfare, typically at below half of the poverty line without a paid wage, and others come to rely on a mix of social and market incomes, either during or between, intermittent employment spells. Because social assistance is dependent on a maximum level of savings and assets, many persons without social insurance coverage live on their own reserve income.

Does workfare displace paid work and otherwise worsen the conditions of work within the technical and social division of labour? This question cannot yet be answered in the case of Ottawa-Carleton, as the program has been implemented in a context of economic recovery and labour market expansion. Workfare has the potential to do this, dependent on labour market conditions and the characteristics of workers on the 'supply-side'. When productivity growth is high and macroeconomic conditions balanced, labour market demand increases and weakens the lure of workfare to employers. Social assistance recipients tend to be less employable, often facing many barriers to employment which are generally independent of the labour market (although worker injuries should be considered to be at least partly labour market participation-related). In periods of recession and labour market contraction, unemployed workers who end up on social assistance have either held employment or have been unable to secure a job due to lowered employer demand.

Both theoretical and empirical questions have been raised against the claim that work-for-welfare programs (as distinct from welfare-to-work programs) constitute a sustainable public policy. If workfare is to be considered as part of a

prospective model of development, it should also be regarded in terms of its basis in crisis and associated responses to this crisis. Workfare should be examined not only from the standpoint of the requirements of a post-Fordist model. While exploring how workfare might play a stabilizing role in the resolution of the crisis of Fordism is potentially useful, equal time must be given to the opposing argument that workfare will exacerbate the pre-existing crisis, or contribute to the development of new crises and contradictions. This requires an investigation of workfare as a destabilizing force in either or both the spheres of economic and social regulation. Should the evidence for this be compelling, the consideration of workfare is necessarily incomplete if the conditions for opposition, resistance, and the creation of space for alternative policies are not assessed.

As noted by Peck (1996), many of the actual, concrete forms of the SWS stress 'workfare' and downplay 'Schumpeter'. Under different political conditions organized at the appropriate geopolitical scale, could there be a 'Schumpeterian' or 'flexible' *welfare* state? The neo-statist framework suggests that a flexible welfare state might be based on improving income maintenance and instituting employment and training program coverage for increasing numbers of contingent part-year, part-time workers, those hit by downsizing and the restructuring of the economy to smaller workplaces and new labour market entrants. Such a flexible welfare state would be predicated on the alignment of a diversity of federal, provincial and regional government departments and program staff working more closely together in order to meet increasingly localized income maintenance, labour market and training requirements. In the absence of the democratization of public administration, however, the dominant bureaucratic and policy-making structures governing both social welfare and economic development impede the possibility of a more progressive post-Fordism (Albo, 1997; Panitch, 1993).

Different kinds of interventions by various actors are needed in order to resolve some of the contradictions of existing labour, managerial and state strategies with regards to the actual and potential costs and benefits of knowledge-based production. One of the themes of the counterhegemonic project has been the importance of building the 'social economy' (Jenson, 1998; Lipietz 1992). Progressive employment strategies that involve social and economic inclusion must be based on improving the quality and quantity of 'universally-accessible' employment, real equality of opportunity and the guarantee of an adequate employment (and/or non-employment) income. These strategies have their basis in something other than neo-liberalism, and are pursued by some social democratic countries such as Sweden. As in the case of the ultimately unstable neo-liberal strategies, these strategies also must prove their coherence over time.[3]

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[3] Sustainability is a necessary criterion for labour market inclusion, as it is likewise in the case of a coherent industrial paradigm and reproducible macroeconomic framework that can provide for social and institutional regulation (Lipietz, 1987).

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Appendix 1

Participatory Action Research in Ottawa-Carleton:
Perils and Pitfalls

The collection, use and disclosure of outcome data on welfare reform has been structured to advance 'workfarist' state projects, and to impede the efforts of opponents of these state projects. For both resistance projects such as campaigns against workfare, as well as for program evaluation and design purposes, information is power. Intelligence gathering on the government's workfare program, as implemented at the local level, has typically involved attempts on the part of social action groups and researchers to access data on participating organizations from local community and social services departments. Both local and provincial state structures have often been loathe to release this data, fearing that its disclosure to the 'wrong parties' could have an impact on their ability to implement their program.

The acquisition of strategic information around the implementation of workfare in Ottawa-Carleton and across Ontario has proven to be a political minefield.[1] Originally, only some of the requested data was voluntarily released by Placement Services. This profile is thus primarily based on data collected by means of three of four requests for data made locally under the Municipal Freedom of Information and Protection of Privacy Act (MFIPPA) administered through the Regional Clerk's Office of the RMOC. Only one of four of these

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[1] The stated reason for not entering into a second research agreement was that the researcher was deemed an unreliable source for temporarily maintaining data that, in the view of the RMOC, could potentially be used to identify individuals participating in the Community Placements program. This may have been due to the involvement of the researcher in identifiable anti-workfare organizing activities. The impossibility of complying with a request for two business days' prior review of documents to be presented at the 1998 Congress of Social Science and the Humanities under the 'Re-working Communities' panel of the Centre

requests was done on the basis of a Research Agreement as specified under MFIPPA. This data collection strategy has been used in many localities across the province, and has been a useful tool in the context of organizing strategies on the part of unions and social action groups.[2] Ottawa-Carleton has proven itself to be most willing in sharing program data, perhaps due to the lack of overt picketing and other activities that followed the release of information in other localities.

The collection of this information is neither frivolous nor vexatious in the slightest. The ability to independently monitor stated policies such as the two-year moratorium on workfare placements at sites that have had layoffs in the past two years has been severely compromised in the jurisprudence on access to information in Ontario. The restriction of independent monitoring of workfare placements in terms of hours worked, working conditions, and job displacement alike severely compromise this particular statute in the Ontario Works regulations.

Tracking changes in these data over time through different 'event windows' related to policy implementation (e.g. the transfer of single parents to the Ontario Works caseload through the Consolidated Verification project) can yield important insights about the impact of the program on employability and in terms of other outcomes indicators. As noted below, due to problems in the execution of the research agreement and decisions with respect to the release of

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for Labour and Community Research (CLCR) of Carleton University was the stated reason, although not enough notice of this requirement was given, and it was not explicitly stipulated in the research agreement.
[2] At the Ontario Social Safety Network (OSSN) meeting on May 14, 1998, strategic research involving the use of municipal freedom of information requests was presented as a tool for local anti-workfare activists. A number of people in the OSSN organizing against workfare locally and fighting against legislated poverty province-wide have requested training on how to do this, and information on how to do so has been distributed via the OSSN listserv. (Notes from Toronto OSSN Meeting, 05/14/98.)

information on the CP program, longitudinal analysis by organization and by participant has become impossible for the time being.

A major challenge faced by PAR researchers confronting the workfare program has been in accessing social services data and welfare recipient confidentiality rights, explicitly protected in clauses in the provincial legislation. The disregard for the privacy rights of welfare recipients through the Ontario Works program by both the provincial and municipal governments provides an important backdrop to the strident defence of privacy rights when used to deny access to information on the workfare program to public interest activists and social researchers.

Denial of information is based on the proposition that the identification of participating organizations could lead to the identification of social assistance recipients doing placements. This begs the question as yet untested in the courts: does the Ontario Works Act and the CP program as currently administered, by having a mandatory requirement involving placement of social assistance recipients into host organizations where they are liable to be identified as such[3], violate the legislation and jurisprudence on privacy?

Local governments, whether sympathetic (Ottawa-Carleton) or reactionary (Kingston) on questions concerning the rights of social assistance recipients and local citizens to fight the provincial government, have been forced to implement Ontario Works under the province's new funding framework for social welfare. Increasingly, they are denying local citizens updates to information that previously had been released under the regular access provisions of the

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[3] At one of the placement host organizations in Ottawa-Carleton, the Canadian Language Benchmarks Association, placements are identified by a nameplate with their name and the title "Community Placement" program, which clearly identifies people in terms of their eligibility for social assistance, possibly in contravention of Article 14.3(c) of MFIPPA).

Municipal Freedom of Information and Protection of Privacy Act (MFIPPA). The provincial government is concerned to be able to promote the 'success' of its workfare program, and has sought a variety of ways to manipulate the collection and access to information on 'Community Participation' in order to do so. It has also moved to include anything and everything as a CP 'activity', with the move to increasingly self-directed 'participation' activities and away from monitored 'placement' ones.

Rightly or wrongly, the jurisprudence surrounding Access to Information on matters pertinent to social assistance eligibility (and the interpretation of MFIPPA by mediators and adjudicators) has become more stringent and cautious in the time since the previously-presented local data on the CP program. Challenges and appeals to decisions surrounding the disclosure and use of data on the CP program are ongoing at the time of this writing. The current situation in Ontario makes it impossible to provide new data updating those presented in the previous chapter, and over time, less and less information is being released to the public in Ottawa-Carleton as elsewhere. This fact has also increased the invisibility of actual CP participants, which weakens the existing jurisprudence preventing disclosure of the names of participating organizations.

On November 29, 1999, an important decision was made by an adjudicator (Laurel Cropley) with the Information and Privacy Commissioner of Ontario (IPCO) on an appeal of the City of Kingston's denial of access to the names of organizations. This request was for the names of organizations, as well of the name of a contact person and phone number. According to the adjusticator's decision, the City of Kingston, in adherence to Section 21 of MFIPPA, inquired of each of the ten participating organizations if they would consent to the disclosure of their name as a host organization to the appellant. Only two consented to this, under conditions unspecified, but which the adjudicator

determined "it is questionable whether they have, in fact, consented disclosure of the information as neither the City nor the Commissioner's office can guarantee the conditions they require" (IPCO *Order MO-1254*, p.1). Only three of ten organizations of the rejected the request, but all three presented briefs to IPCO on appeal by the appellant. Notice of Inquiry was sent to the appellant, the City of Kingston, and the 10 organizations.

The decision upheld the city's argument concerning non-disclosure of information under Article 2(1) (records containing the names of identifiable individuals) and Article 14(1) (where the disclosure is prohibited except under certain specified conditions). While the decision clarified that employees and other representatives of host organizations did not have the rights to have their names and contact information at their place of employment kept out of the public record, it was very conservative in preventing potential identification of workfare workers. As noted by the adjudicator,

> Two of the participating organizations are larger than the others and the numbers of participants in each is also greater. On first blush it would not appear that the principles enunciated in Orders P-230 and P-644 (small cell count) would apply. However, after considering the totality of the evidence, I find the City's arguments that the identities of individual recipients could still be revealed by disclosure of this information to be persuasive. (IPCO Order MO-1254, p.4).

Notably, the adjudicator accepted that there is a kind of work "typically performed by individuals on workfare", although data for Ottawa-Carleton presented previously suggest that this is far from the case. This was one of the arguments accepted in support of the principle that there was a "reasonable expectation" that release of the data could lead to the identification of individuals. Section 14(1)(f) specifies that "personal information" can only be disclosed if it "does not constitute an unjustified invasion of personal privacy".

Section 14(3) outlines the kinds of information, including data about any individual's eligibility for social assistance, that are precluded from disclosure for these reasons. Where Section 14(4) (kinds of information that do not constitute an unjustified invasion of personal privacy) does not apply, the only overriding condition is when there is a "compelling public interest" in disclosure, as defined under Section 16. The adjudicator determined that this was not the case.

It is curious that the privacy rights of workfare workers are only an issue when the host organization deems this to be the case. Two of the organizations' data was released to the appellant, although presumably this would mean as great a likelihood for workfare workers at that organization to be identified. It is also unknown how many organizations had signed the Province's Consent to Promote form, used in the collection of 'success stories' by the local and/or provincial governments. No evidence on this point was introduced by either the appellant or the City, although it is questionable as to whether the appellant would have been granted access to this information.

In spite of the fact that individuals and groups shut out on the access side of the information question are clearly not interested in the identification of individual community placements, but only the organizations which they are working for, these requests are routinely denied across the province. This denial is made on the grounds that it could lead to the identification of individuals, violating their privacy rights under MFIPPA. In practice, participation in a community placement activity has a significant higher risk of the identification of the person as a social assistance recipient, by other volunteers and paid staff in the workplace, as well as customers and clients. By the same logic in the City of Kingston decision, the Community Placements program also would seem to be in violation of the privacy rights protected in the case of access to information

requests. Notably, the groups attempting to access this information are typically composed of social assistance recipients and their allies, making the lack of access even more problematic. It is unclear if individual workfare participants who have signed a 'consent to promote' form have transferred their right to identification for uses determined exclusively to the region and/or to the province. For social researchers, community organizations, and social activists, it is evident that any possible risk of identification of individuals is a sufficient reason to not disclose information as a matter of basic research ethics. What is and is not 'probable risk' at this time, however, is completely within the jurisdiction of the region to determine, subject to negotiation by means of a successful appeal to the province.

There have been a number of requests for data on the CP program by regional researchers and organizations concerned about the introduction of workfare in Ottawa-Carleton, under the terms of MFIPPA, both prior to (see Hollingsworth, SPC/MOWOC, and ODLC) and after (see WRFE) the City of Kingston decision. Three of these requests - from 1998 (Hollingsworth, CLCR), 1999 (Clavette/Alsadi, ODLC), and 2000 (Moore, WRFE) - are outlined below.

In February 1998, information was compiled from data voluntarily released from the Placement Services office of the Social Services Department on participating organizations. Data collected on February 28, 1998 provided some preliminary findings from the manager of community placements on types of work performed, as well as a list of participating organization that had signed a 'consent to promote' form (see Appendix 3). In March 1998, data was requested on participating organizations under the Municipal Freedom of Information and Protection of Privacy Act (MFIPPA). It was clear that the region was not going to prevent the disclosure of the names of any participating organizations.

The third request by the author of this thesis (the "Researcher") was originally initiated in an attempt to map the emerging structure of workfare in relation to the Ottawa-Carleton labour market. Part of this research was to be used in the preparation of a conference paper. There were several stages originally planned for the quantitative research on community placements. The first stage was intended to establish the baseline data needed for longitudinal analysis of emergent trends in the development of a local 'workfare state'. In addition to trends in the kinds of organizations participating in workfare, the degree of their involvement (actual and potential) and the occupational data, the attempt to track participants (anonymized by identifier codes) in the Ontario Works system was part of the original research model. This research project proved impossible.

The third request for data involved a Research Agreement, which enabled access to additional data on placement and organization IDs relating positions to placements to organizations to the Researcher under special, time-limited conditions. The data demonstrated which particular organizations employed how many hours of different kinds of work performed by the number of active individual placements. This data was requested in order to do a longitudinal analysis of participant data, enabling the tracking of the performance of the program over time. The Region agreed to do so under the conditions of a Research Agreement covering the use, disclosure and disposal of the data. According to Leslie Braden, then-Information and Privacy Coordinator (IPC), this was only the third such Agreement entered into by the Region under the terms of the Municipal Freedom of Information and Protection of Privacy Act (MFIPPA) since legislated in the early 1990s.

The request for a Research Agreement was granted on April 7, 1998. The Research Agreement entered into with the region contains many conditions on the use, disclosure and destruction of information and specifically prohibits the

release of any information that identifies, or could lead to the identification of, particular individuals on social assistance. The Research Agreement itself went through a number of drafts, eventually deemed to warrant the inclusion of a new Article 9, a non-standard article not explicitly identified in MFIPPA. One condition of the Research Agreement required the approval of the Region prior to the release of any information that could breach privacy protections under MFIPPA. A decision was made by the Region to deny a request for a second Research Agreement, because of "problems encountered by the Region" with regards to the original research, prepared for a June 3rd presentation at the 1998 Congress of Social Sciences and Humanities. Instead, this request for occupational and organizational data was processed under the general access provisions of MFIPPA, which led to the removal of all ID codes on participants and organizations.[4]

The release and disclosure of five tables of occupational and employer data proposed for use in the presentation was proscribed, and all personal identifiers contained in the data in the data have been destroyed, in compliance with the Research Agreement.[5] Conditions of use and disclosure were also limited to the specific purpose listed on the Research Agreement; in this case, the presentation (without paper) at a workshop session by the Centre for Labour and Community Research (CLCR) session at the Congress made on June 3, 1998. For this reason, the results of this research are unavailable. All data presented in this thesis for this reason are drawn from other MFIPPA requests made by this researcher as well by the ODLC and WRFE, all of which were processed under the regular access provisions of the Act.

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[4] Letter of 10 June 1998 from Mary Jo Woollam, Regional Clerk, RMOC
[5] Letter of 26 June 1998 from Mary Jo Woollam. Regional Clerk, RMOC

Later requests for information, by the Ottawa-Carleton District Labour Council (ODLC) and Welfare Recipients for Fair Employment (WRFE), yielded new data on community placements in the region. A request was undertaken by the ODLC in order to gain information about the uptake of participation in the program in order to monitor developments of interest to organized labour. The final request was by an organizer with a local welfare defence group (WRFE), seeking to gain information about workfare hosts/employers for campaign purposes.

In the ODLC's access to information request (submitted December 17, 1998; researcher met with ODLC on 20 November 1998 ODLC request), information requested on Ontario Works included:

(i)   the names of all organizations with placements, waiting for a match, and those who had withdrawn from accepting placements;

(ii)   the start-end dates of placements;

(iii)   occupational descriptions of placements;

(iv)   actual and desired hours per month by each participating organization;

(v)   the numbers of agencies and individuals that signed consent to promote forms; and

(vi)   the numbers of individuals on waiting lists, those on placements (and whether this was a 1st, 2nd, or 3rd or more placement), and those who have moved onto another stream of Ontario Works.

The region indicated that it would not provide the names of organizations with placements requested by the ODLC,[6] including those waiting for a match. The region also responded by not providing data on the number of individuals who had signed a consent to promote form, were on waiting lists, on placement, or

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' See the first sub-item under (i) in the above list.

had moved into another stream. On appeal to the Ontario Privacy and Access Commissioner, a settlement was mediated in which the number of closed CP caseloads, the number of matches between participating individuals and organizations, those in pre-placement activities, and those who had received a referral to the CP program was released. These data were also separated into both the mandatory and voluntary components.

In WRFE's access to information request (submitted January 31, 2000), data were requested on the number of individuals and organizations participating in the Community Participation component to date. Organizations defined as 'active' included three distinct types: (i) those that previously had placements but currently do not, (ii) those that had previously agreed to participate but have since withdrawn, and (iii) those that had indicated willingness to participate in the future but currently had no placements. Obviously all three have different strategic implications and uses. Nonetheless, a request for data segregating these three groups was not provided by the Region, which cited the City of Kingston decision as the basis for denying access to the names of a majority of the participating organizations. This decision is under appeal at the time of this writing. The region also claimed that it no longer tracked statistics on organizations that signed a consent to promote form, and thus could not provide information on this point.

Appendix 2A

Organizations That Have Participated in the CP Program, 1998-2000

Host Organization	Classification
Aboriginal Nurses Association of Canada	Aboriginal Services
Aboriginal Women's Support Centre	Aboriginal Services
Action Antidrogue	Health/Disabled Services
Action Centre for Social Justice	Advocacy Services
Adoption Council of Canada	Family Services
African Heritage Centre	Ethnocultural Services
Algonquin Lifelong Learning for Seniors	Seniors Services
Arladun Somali Canadian Society	Ethnocultural Services
Arthritis Society	Health/Disabled Services
Artisanat Saint-Francois D'Assise	Unknown
Association for Baha'l Studies	Affinity Group
Association of Canadian Community Colleges	Industrial Association
Association of Professional Computer Consultants	Professional Association
Banff Tenant Association	Tenant Association
Beacon Hill Charitable Fund	Charitable Fund
Bereaved Families of Ontario	Family Services
Bilberry Creek Baptist Church	Church
Blair Court Community House	Community Services
Boys and Girls Club of Ottawa-Carleton	Children/Youth Services
Canada Work Info Net	Information Services
Canadian Advanced Technology Association	Industrial Association
Canadian Aeronautics and Space Institute	Industrial Association
Canadian African Solidarity	Ethnocultural Services
Canadian African Women's Organization	Ethnocultural Services
Canadian Amateur Wrestling Association	Sports Association
Canadian Association of Chiefs of Police	Professional Association
Canadian Association of Fish Exporters	Industrial Association
Canadian Association of Mutual Insurance	Industrial Association
Canadian Association of Principals	Professional Association
Canadian Association on Gerontology	Professional Association
Canadian Blood Services	Health/Disabled Services
Canadian Breast Cancer	Health/Disabled Services
Canadian Centre on Substance Abuse	Research Centre
Canadian Defence Preparedness Association	Pressure Group
Canadian Dental Assistants Association	Professional Association
Canadian Gymnastics Federation	Sports Association
Canadian Hearing Society	Health/Disabled Services
Canadian Housing and Renewal Association	Industrial Association
Canadian Institute of Planners	Professional Association
Canadian Language Benchmarks	Language Services

Host Organization	Classification
Canadian Library Association	Industrial Association
Canadian Lumberman's Association	Industrial Association
Canadian Mothercraft of Ottawa-Carleton	Family Services
Canadian Office of Human Rights	Advocacy Services
Canadian Paraplegic Association	Health/Disabled Services
Canadian Parents for French	Language Services
Canadian Soccer Association	Sports Association
Career Station	Training Services
Carlington Community and Health Services	CHRC
Catholic Immigration Centre	Immigrant Services
Centre David Smith Centre	Health/Disabled Services
Centre d'Integration de Formation et de Developpement	Training Services
Children's Hospital Foundation	Health/Disabled Services
Christmas Exchange of Ottawa-Carleton	Family Services
City of Kanata	Municipality
Coalition Feminine des Afro-Francophones	Ethnocultural Services
Confederation Court Community House	Community Services
Co-op d'Habitation Desloges	Housing Services
Cooperative D'Habitation Cote-Est Inc.	Housing Services
Cooperative Voisins Inc.	Housing Services
Council for the Arts in Ottawa	Arts/Cultural
Dar Assunatt of Canada	Ethnocultural Services
Dayspring Church	Church
Debra Dynes Family House	Family Services
Diffusart International	Unknown
E.A.G.L.E. Education Advanced Guidance Leadership Excellence	Children/Youth Services
Eglise de Dieu Haitienne	Church
Eglise Evangilique Baptiste d'Ottawa	Church
Ellwood House (Ottawa) Inc.	Housing Services
Ethiopian Community Association	Ethnocultural Services
Fallingbrook Schoolage Program	Children/Youth Services
Foster Farm Family House	Family Services
Friends in Sportfishing	Sports Association
Friends of the Farm	Environmental Services
Gloucester Arts Council	Arts/Cultural
Gloucester Emergency Food Cupboard	Food Services
Habitat for Humanity	Housing Services
Hawthorne Meadows Nursery School	Children/Youth Services
His Mercy Ministry	Church
Hope Services	Unknown
Horn of Africa Women's Association	Ethnocultural Services
House of Hope	Community Services
Humane Society of Ottawa-Carleton	Animal Services

Host Organization	Classification
Humanist Association of Canada	Affinity Group
Independent Child Caregiver's Association	Professional Association
Investing in Women's Worth	Women's Services
Islamic Information and Education Inc.	Affinity Group
Italian Canadian Community Centre (of the National Capital)	Service Club
Jericho House	Health/Disabled Services
Jewish Community Centre	Community Services
Jewish Family Services	Family Services
Kanata-Hazeldean Lions Club Inc.	Service Club
Languages of Life Inc.	Language Services
L'Association des Auxilieres/Benevoles de l'Hopitale Montfort	Volunteer Association
Laudemus Corporation	Unknown
Laurier-Carriere	Unknown
Maison Decision House	Health/Disabled Services
Medallion Club of Ottawa Inc.	Service Club
Mount Zion Church of the Firstborn	Church
National Capital Freenet	Information Services
National Defence of Canada	Credit Union
National Dental Examining Board	Professional Services
National Research Council	Federal Government
New Beginnings for Youth	Children/Youth Services
OC Transpo	Municipal Services
Odawa Friendship Centre	Aboriginal Services
Ottawa Centre for Research and Innovation	Research Centre
Ottawa Hull Blues Festival	Arts/Cultural
Ottawa Municipal Employees Credit Union Ltd.	Credit Union
Ottawa Neighborhood Services	Low Income Services
Ottawa School of Art	Educational Services
Ottawa West End Community Chaplaincy	Community Services
Ottawa Women's Credit Union	Credit Union
Ottawa-Carleton Catholic School Board	School Board
Ottawa-Carleton Housing	Housing Services
Ottawa-Carleton Immigrant Services Organization	Immigrant Services
Ottawa-Carleton Independent Living Centre	Health/Disabled Services
Parent Finders	Family Services
Paroisse St.-Charles-Borromee	Church
Partage Vanier	Unknown
Pinecrest-Queensway Health and Community Services	CHRC
Pride Week Committee Inc.	Advocacy Services
Progressive Conservative Party of Canada	Political Party
Quality Fresh Food Club	Food Services
R.E.A.C.H.	Health/Disabled Services

Host Organization	Classification
Radio Ottawa Inc. (CHUO FM)	Information Services
Rainbow Women's Centre	Women's Services
Richelieu International	Service Club
RMOC - Community Placement	Municipality
Roberts/Smart Centre	Children/Youth Services
Rogers Community TV	Information Services
Rotary Ottawa Bytown	Service Club
Royal Ottawa Hospital	Health/Disabled Services
Russell Heights Community House	Housing Services
Satdis	Ethnocultural Services
Schizophrenia Society of Ottawa-Carleton	Health/Disabled Services
Seniors Employment Bureau	Seniors Services
Service d'Entraide Communautaire Pour Les.	Unknown
Shepherds of Good Hope	Housing Services
Social Network for Youth Ottawa-Carleton	Children/Youth Services
Somali Badar Organization	Ethnocultural Services
Somali Centre for Family Services	Family Services
Somali Centre for Youth, Women and Community	Community Services
SOS Children's Villages Canada	Int'l Development
St. Luke's Drop-In Centre	Housing Services
St. Tekle Haimanot Church	Church
St. Vincent de Paul Stores (Ottawa) Inc.	Low Income Services
T.A.P.P. The Anti-Poverty Project	Advocacy Services
The Door	Children/Youth Services
The Food Bank	Food Services
The Good Companions	Seniors Services
The ME Association of Canada	Health/Disabled Services
Transportation Association of Canada	Industrial Association
Trillium School Age Program	Children/Youth Services
United Nations Association in Canada	Int'l Development
Univirus Research of Canada	Unknown
Versa Care	Health/Disabled Services
Volunteers of Hope	Unknown
West End Interdenominational Social Action Group	Advocacy Services
Wildbird Care Centre	Animal Services
Wildlife Habitat Canada	Environmental Services
Worldwide AIDS Foundation	Health/Disabled Services
YMCA-YWCA of/d'Ottawa-Carleton	Housing Services
Youth Services Bureau of Ottawa-Carleton	Children/Youth Services

Sources: Consolidated Data from MFIPPA Requests, Hollingsworth (1998), Alsadi/Clavette (1999), and Moore (2000).

Appendix 2B

Organizations That Had Withdrawn from Accepting Placements, January 1999

Organization	Type
Aboriginal Nurses Association of Canada	Advocacy/Professional Services
Action Centre for Social Justice	Community Services
Attention Deficit Disorder Resource and Information Centre	Community Services
Bridgehead (1998) Inc.	Fair Trade Organization
Canadian Advanced Technology Association	Industrial Association
Canadian Amateur Wrestling Association	Sports Association
Canadian Association of Fish Exporters	Industrial Association
Canadian Centre on Substance Abuse	Advocacy/Research Services
Canadian Dental Assistants Association	Professional Services
Canadian Library Association	Industrial Association
Human Concern International	Unknown
Kanata-Hazeldean Lions Club Inc.	Service Club
Laudemus Corporation	Unknown
Literacy Foundation for Africa (LIFA)	Advocacy/Fund-raising Services
Ottawa Municipal Employees Credit Union Ltd.	Trade Union/Credit Union
Ottawa Women's Credit Union	Advocacy/Credit Union
Ottawa-Carleton Housing	Housing Services
Rideau Canoe Club	Recreational Services
Seniors Employment Bureau	Advocacy/Community Services
St. Tekle Haimanot Church	Church
The ME Association of Canada	Advocacy/Community Services
Univirus Research of Canada	Unknown
Versa Care	Unknown

Source: MFIPPA Request by Ken Clavette, ODLC. Data are from 12 January 1999.

Appendix 3

Consent to Promote Organization Form

Services sociaux

Ottawa-Carleton

Social Services Department

PLACEMENT SERVICES

COMMUNITY PLACEMENT
CONSENT TO PROMOTE AGENCY

We_____, as a participating agency, do agree to allow The Regional Municipality of Ottawa-Carleton to divulge and promote our involvement in the community placement component of Ontario Works to the citizens of the Province of Ontario.

We understand that our willingness or unwillingness to participate in the promotion of the program has no impact on the services we receive as a participating agency.

Signature:_____   Date:_____
          Authorized signing officer

Witness:_____   Date:_____

Appendix 4

Consent To Promote Individual Form

Services sociaux

Ottawa-Carleton

Social Services Department

PLACEMENT SERVICES

COMMUNITY PLACEMENT
CONSENT TO PROMOTE PARTICIPANT

PART B

I _____ , do agree to allow Ontario Works to promote my success in the program to the public of the Province.

It has been explained to me how my name and/or photograph will be used to promote the Ontario Works program.

I understand that my willingness or unwillingness to participate in the promotion of the program has no impact on the services or benefits I receive under the General Welfare Assistance Act or Family Benefits Act or any other Social Assistance legislation.

I am over 18 years of age.

Signature: _____   Date: _____

Notice with Respect to the Collection of Personal Information
(Freedom of Information and Protection of Privacy Act)
(Municipal Freedom of Information and Protection of Privacy Act)

This information is collected under the legal authority of the Family Benefits Act, R.S.O 1990. c.F.2 or the General Welfare Assistance Act, R.S.O. 1990 c.G.6 or their successor statutes.

G:\UDTEAM\OW\FORMS\CONSENT2.DOC

Appendix 5

STRATEGY, AGENCY, AND CHOICE
From "Forced Choice" to "No Choice"; From "My Choice" to "Their Choice"

A number of scenarios around organizational participation were discovered throughout the course of this study. A comprehensive overview with quantitative analysis (by organization type, etc.) but a speculative exercise in situating *strategies of participation* in terms of their consequences is probably useful at this point in time.

Note: As used here, a "placement officer" is either (1) a *placement developer* who finds placement opportunities; or (2) a *placement coordinator* who is responsible for the placement of clients and ensures agency and participant compliance with Ontario Works regulations.

This list may be incomplete. Can you think of other scenarios and/or decision vectors?

Scenario #1: Organization has a high voluntary to paid staff component. Organization and/or placement officer is approached by social assistance recipient who is already volunteering to continue to do so under Community Placements.

Scenario #2: Organization has a high voluntary to paid staff component. Organization is approached by social assistance recipient who is familiar with the organization already as a client or in some other capacity, to start "volunteering" under Ontario Works.

Scenario #3: Organization has a high voluntary to paid staff component. Organization is approached by a Community Placements programming officer to participate in the placement of a social assistance recipient unknown to the organization.

Scenario #4: Organization has a high voluntary to paid staff component. Organization approaches Community Placements programming officer to participate.

Scenario #5: Organization is in the voluntary sector and has problems with funding and/or with staffing levels (paid and/or volunteer). Organization elects to participate in Ontario Works as an alternative to reduced service delivery or closure.

Scenario #6: Organization is in the voluntary sector and is well-funded. Organization approaches placement officer to participate.

Scenario #7: Organization is not in the voluntary sector. Organization is approached by a placement officer to participate.

Scenario #8: Organization is not in the voluntary sector. Organization approaches placements officer with a request for workfare workers.

Appendix 6

Situating Welfare-Workfare in the Ottawa Labour Market – Technical Notes

<u>The Local Economy</u>

The 1990s were a period of significant transformation and change in the Ottawa labour market and urban industrial structure. Significant job growth in the high-technology sector and job reduction in the federal government workforce was one often-cited instance of regional economic restructuring. At the same time, there was also serious disruption of existing dynamics of social reproduction, which came to be characterized, as with the rest of Canada, with strong intergenerational differences in employment circumstances.

In its *Ottawa Metropolitan Outlook* (1999), the Conference Board of Canada forecasted strong growth in the gross domestic product (GDP) of the regional economy through to 2003. The 2000 *Outlook* for Ottawa projects the highest GDP growth rate in the country at over 6 percent, compared to 4.3 percent for its nearest competitor, Toronto. Metropolitan Ottawa's economic performance will likely show one of the highest rates of GDP and employment growth in Canada in the next few years, projected to grow above an annual average of 3 percent over 1999-2001 in the 1999 *Outlook*. The consumer price index (CPI) also showed moderate growth throughout the 1990s, indicating regional and national price stability.

Shifts in the global and national urban systems as well as local economic development patterns are in evidence in Ottawa. Technological change, the development of innovation networks and export-oriented economic growth all have had a profound impact on the local economy and the changing structure of

the local labour market. The decreasing (though still important) role of the federal government as an engine of job growth has resulted in a more cycle-sensitive economy. Still, the pattern of GDP growth in the region was remarkably different from other metropolitan areas in Canada in the 1990s – showing surprising volatility in the early 1990s – although it is stabilizing at relatively high rates compared to the Canadian urban system as a whole.
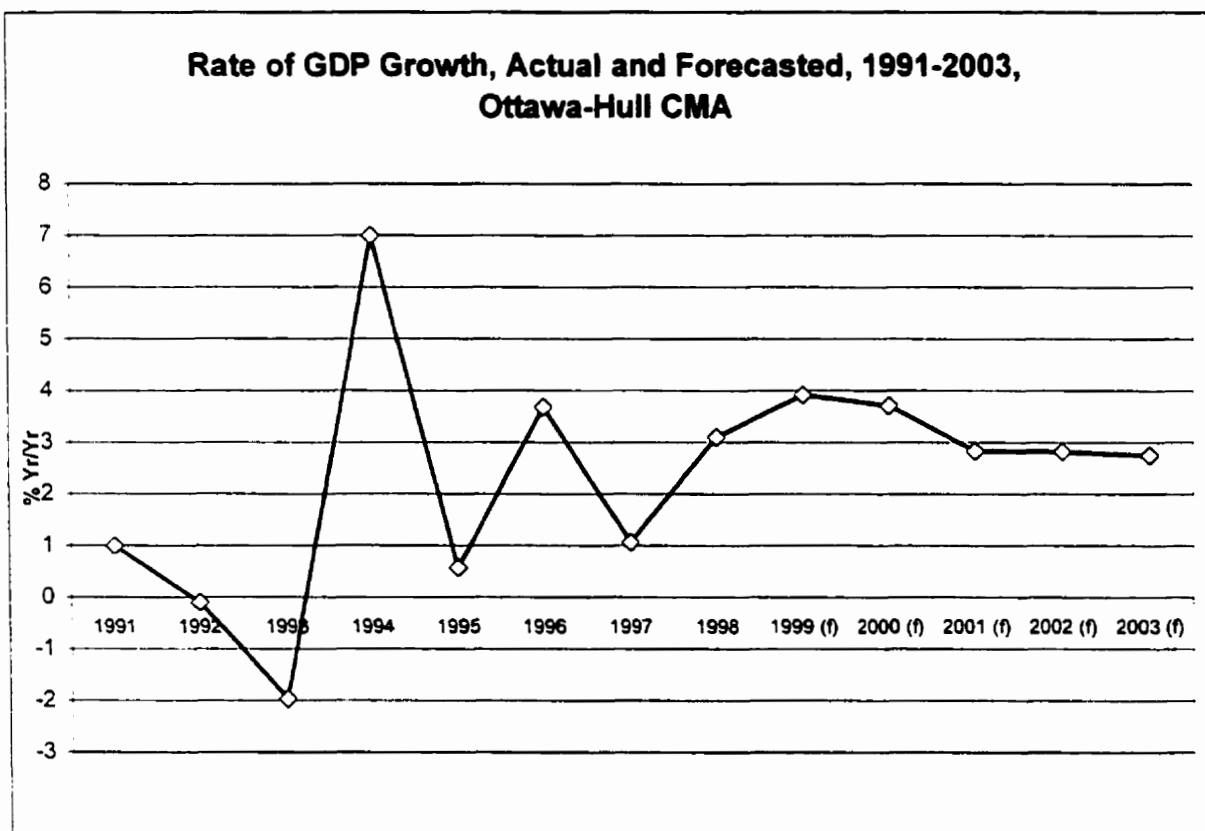

Rate of GDP Growth, Actual and Forecasted, 1991-2003, Ottawa-Hull CMA

Chart A6.1 _Source_: Human Resources Development Canada, Eastern Ontario Area Economist's Office, unpublished data; Ottawa Metropolitan Outlook 1999.

Technological change and global competition have had a profound impact on the regional economy of Ottawa, as elsewhere in Canada. Most significant in the regional economic picture is the fact of a powerful and flourishing knowledge-based economy.[1] The restructuring of traditional manufacturing industries in

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[1] See Marc Lee and Geoffrey Oliver, "Jobs and Growth in the Knowledge-Based Economy", Industry Canada. April 1998. They note the results of an Ekos Survey which "showed that 88 percent of Canadians agree that technology and information are the sectors of the economy where we're going to see the most

Ontario in the late 1980s and early 1990s was less significant for the Ottawa region because of the magnitude of federal government and service sector employment as part of the local economic base.

Employment

The long-term restructuring of employment in the Canadian urban system over the 1971-1991 period shows the impact of post-industrialism, and this trend has been reflected in the Ottawa[2] labour market. Coffey (1996) provides an analysis examining employment growth by industry and occupation, as well as variables including place of residence data, showing a trend away from growth in manufacturing over 1971-1981 to growth in business services over 1981-1991. Between 1971-1991, however, manufacturing employment grew by a paltry 10 percent, compared to 277.8 percent growth in business services. In the 1971-1981 period, higher relative growth in business services co-existed with higher absolute growth in manufacturing jobs within the Canadian urban system. In the 1980s, the growth rate for manufacturing overall was actually slightly negative in 11 of 15 'rapid growth' municipalities. Within this general trend, there are interesting differences at the level of particular localities. The growth rates for business services tend to be less wide-ranging across localities than manufacturing (26.2 percent of total employment in Kitchener in the 1970s compared to 2.8 percent in Victoria) (Coffey, 1996: 21).

growth; 87 percent agree that focusing on technology and innovation will mean that new companies and industries will develop; and 85 percent agree that focusing on technology and innovation will help ensure that existing companies will prosper" (p.19). Should high-technology continue to enjoy broad national support, industrial strategies around sectoral promotion by the federal government should bode well for the future of the region.

[2] The 'Ottawa labour market' refers to three different geographies, depending on data sources. The first and largest is the Ottawa-Hull Census Metropolitan Area (CMA), covering the urban agglomeration on both sides of the Ottawa river. The second largest is the Ottawa CMA, which takes in the Ottawa area on the Ontario side only. The third geographical area for labour market data is the Ottawa-Carleton Census Division (CD), which also corresponds to the regional government's jurisdiction, until recently comprising eleven municipalities now amalgamated into the new City of Ottawa.

Industrial and occupational employment statistics in Ottawa also reflect broader trends within Canada and the OECD, with more pronounced long-term tendencies. Long-term labour market trends show a marked growth in professional and managerial employment, which underpinned a significant growth in average household incomes over the 1985-1995 period (Social Planning Council of Ottawa-Carleton, 1994). In the 1981-1991, employment in Ottawa-Hull grew by 33 percent, or 116,600 workers, the tenth largest 'rapid growth' urban area (Coffey, 1996: 19). Shifts in the Ottawa-Hull employment base include the unique absolute and relative growth in business services in Ottawa-Hull beginning in 1980s and accelerating the 1990s. Ottawa-Hull was 58 percent more specialized than the average of the Canadian urban system over the 20 years ending in 1991, based on an increase in its internal specialization of 47 percent over this period (Coffey, 1996: 27).

In Ottawa, the post-industrial employment structure has deeper roots than elsewhere in Canada, as seen in the historical role of public employment with the federal government in the local labour market. The local economy has diversified considerably in the 1990s, with significant layoffs of federal public sector workers as well as increasing numbers of workers in the high-technology sector. The post-industrial trajectory of Ottawa has changed quite dramatically over the past decade. Labour market restructuring in Ottawa has been more pronounced in recent years than in other Canadian cities.
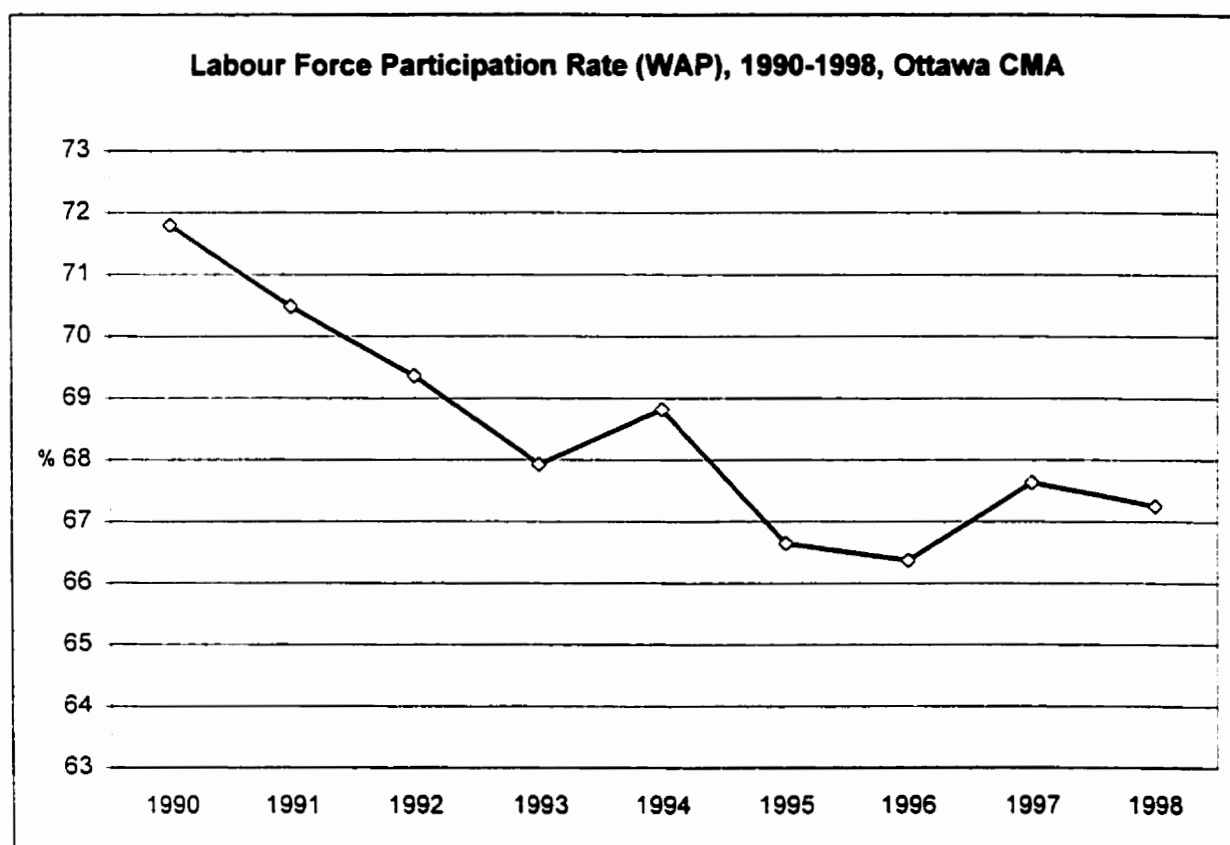
Labour Force Participation

Chart A6.2 _Source_: _Labour Force Survey_, Ottawa CMA.

Growth in the active labour force has been stagnant throughout much of the 1990s, but metropolitan Ottawa also had an employment recovery manifested in lower unemployment rates the latter part of the decade. The active labour force grew by only 9.8 percent and the number of employed persons grew by 8.7 percent, while the working age population grew by 17.2 percent over 1990-1998.[3] Unemployment in this period increased from 21,200 to 38,800 persons over 1990-1997, while falling dramatically to 27,600 in 1998. Unemployment in the active labour force hit a record low for the 1990s at an annual average of 6.2 percent in 1998 and continued to decline into 1999. Employment continues to show month-over-month growth in 1999, from a level of 413,100 persons in January to 434,500

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[3] Extended from analysis in Ottawa-Carleton Training Board, 1998 Environmental Scan.

persons in August. Furthermore, the number of new part-time jobs actually shrank from 88,600 in January to 63,000 in August 1999, indicating that full-time jobs began to replace part-time and contingent ones previously on offer by employers.

In 1998, the Ottawa metropolitan area had a working age population[4] of 660,400 persons. The active labour force averaged 444,200 in 1998, consisting of 416,700 employed persons and 27,600 unemployed persons. 216,100 persons were classified as not in the labour force (NILF), including most students, homemakers, and the retired, as well as both discouraged workers[5] and persons with 'non-economic' (i.e. personal, family or health) reasons for not participating in the labour market. The labour market participation of the regional workforce continues to be lower than the 1990s peak of 71.8 percent in 1990, and averaged 67.3 percent in 1998.

The not in the labour force (NILF) population increased by 34 percent over 1990-97[6], and by 35.8 percent over 1990-98. After decreasing to a level of 211,600 in 1997 from a high of 216,900 in 1996, the NILF population climbed once more to 216,100 in 1998, before declining again in 1999. Province-wide, this population increased by 27 percent over 1990-97, while the increase was 33 percent for the Ottawa CMA.[7] For much of the 1990s, growth in the working-age population,

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[4] Labour force survey (LFS) cited in this section is for the Ottawa CMA. The Regional of Ottawa-Carleton (ROC) comprises 94.7 percent of the population of the Ottawa CMA. The working age population (WAP) includes all persons 15 years or older, with the exception of persons living in the territories, aboriginal persons residing on reserves, full time Armed Forces members and residents of institutions.

[5] 'Discouraged workers', a subset of the not in the labour force (NILF) population includes some but not all of previous EI claimaints who have exceeded their EI eligibility period and social assistance recipients, because of the active job search requirements for much of this population. OED's Ottawa's Hidden Workforce report counted 94 percent of 26,600 job leavers over the 1991-97 period (25,000 persons) as 'discouraged workers', based on the difference in the participation rate in the two years and accounting for growth in the labour force (assuming a constant 1991 participation rate).

[6] *ibid.*

[7] *ibid.*

slow employment growth and the unemployment rate were significantly higher in Ottawa than across Ontario (Ottawa-Carleton Training Board, 1998).

The NILF population increased by 34 percent over 1990-1997[8], and by 35.8 percent over 1990-1998. After declining to a level of 211,600 in 1997 from a high of 216,900 in 1996, the NILF population rebounded to 216,100 in 1998, before again declining in 1999. Province-wide, the number of those not in the labour force increased by 27 percent over 1990-97, while the increase was 33 percent for the Ottawa CMA[9].

Some of the most dramatic declines over 1991-1997 were in the participation rates of youth and younger workers:

- the participation rate of male and female labour force participants aged 15-19 declined by 15 percentage points (from low 60s to high 40s)

- post-secondary school age youth also declined, which declined by 8.5 percentage points for young women (78.5 to 80 percent) and by 3.9 percentage points (from 82.1 to 78.2 percent).

Despite the pronounced trend among youth, the decline in overall labour force participation rates in the 1990s is across the board for all age groups. To the extent that higher educational enrolment rates for youth is a factor in declining participation rates, at least one component of this decline might be a welcome thing, given increasing education, knowledge and skills required of newer labour market entrants. Because of the across-the-board declines in the labour force participation rate for all age groups, and increasing barriers for youth and general population to affordable post-secondary education, this decline signals increasing numbers of recent (1-5 year) high school graduates experiencing labour market exclusion.

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[3] *ibid.*

Unemployment

Unemployment Rates by Age Cohort, 1990-1998, Ottawa CMA

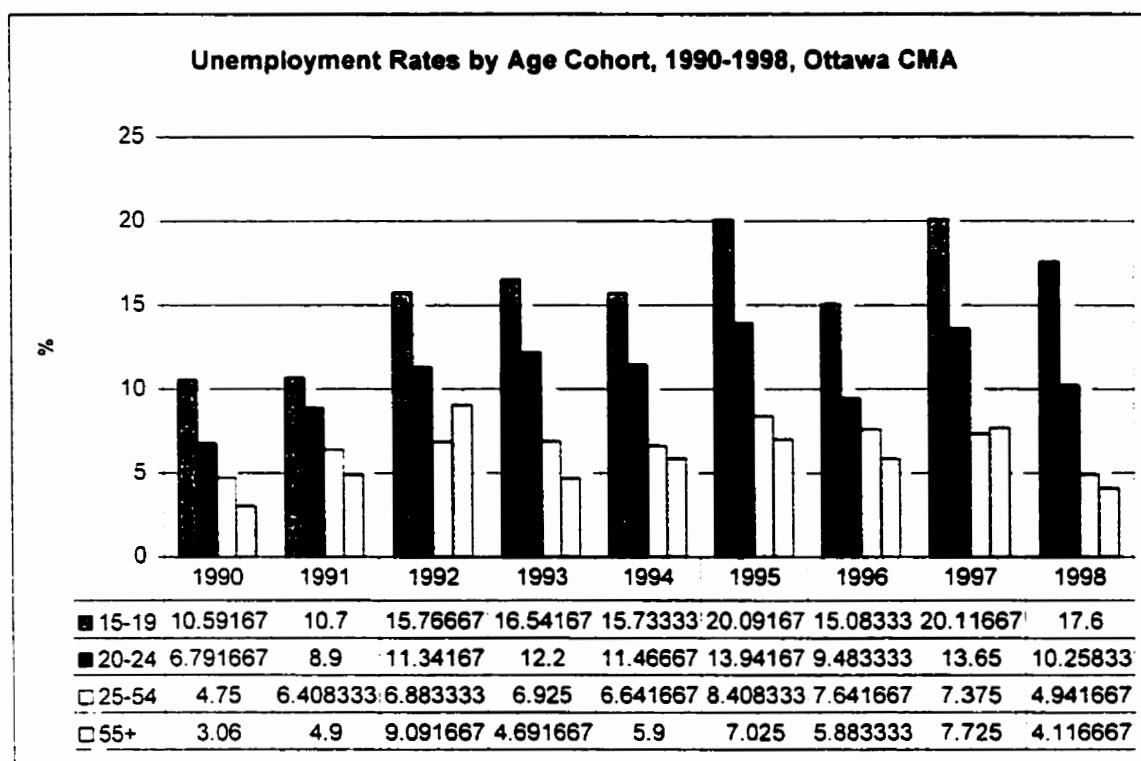|	1990	1991	1992	1993	1994	1995	1996	1997	1998
■ 15-19	10.59167	10.7	15.76667	16.54167	15.73333	20.09167	15.08333	20.11667	17.6
■ 20-24	6.791667	8.9	11.34167	12.2	11.46667	13.94167	9.483333	13.65	10.25833
□ 25-54	4.75	6.408333	6.883333	6.925	6.641667	8.408333	7.641667	7.375	4.941667
□ 55+	3.06	4.9	9.091667	4.691667	5.9	7.025	5.883333	7.725	4.116667

Chart A6.3 *Source*: Human Resources Development Canada, Eastern Ontario Area Economist's Office, unpublished data.

Unemployment statistics indicate the proportion of people seeking work who cannot find it. The measurement does not include discouraged workers and others not in the labour force. While performing well in relation to Ontario and Canada as a whole, particularly in the early 1990s, the unemployment rate has yet failed to reach the lows of the peak of the 1980s. At 6.3 percent in 1999, unemployment in Ottawa is at the provincial average. Unemployment is especially pronounced in terms of intergeneration effects, reflecting national and international trends. In 1998, the unemployment rate for youth (15-24) was triple that of the older workers (55+). Conversely in 1992, unemployed workers aged 55+ almost doubled over the year previous, outstripping the unemployment rate for workers aged 25-54.

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[3] *ibid.*

Part-Time Work

Part-time job growth, as well as growth in self-employment, is an important part of the regional employment picture. The single largest source of new part-time jobs in Ottawa in the 1990s was in the retail trade sub-sector, typically a source of low wage jobs for youth. In the business services industrial component, the dominant trend is in significant full time job creation. Secular and cyclical trends in the number and rate of part-time employment growth qualify the official count of the involuntary part-time workforce. Particularly robust job growth in the region in recent years appears to have actually begun to reduce the numbers of part-time workers. Over the 1990-97 period, the number of part-time workers grew steadily from 61,000 to 79,100, but actually declined slightly to 78,300 in 1998. (This trend continued into 1999.)

The growth in part-time work is partly attributable to the high proportion of services in the regional economy, or more accurately, the changing composition of services. Given the historical importance of the federal government as a local employer, the prevalence of services is a longstanding characteristic, but the significance of part-time work in this sector has increased with the reductions in the federal workforce in the 1990s. Employment in the goods-producing sector grew from 43,400 in 1997 to a level of 47,800 in 1998. Still, employment in this sector is a small fraction of employment in the services-producing sector, which stood at 368,900 in 1998.[10]

In 1998, 20.2 percent of employment in the services-producing sector was part-time, compared to only 8.2 percent in the goods-producing sector.[11] The

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[10] Human Resources Development Canada, Eastern Ontario Area Economist's Office, unpublished data for Ottawa CMA.

[11] The goods-producing sector includes Agriculture; Forestry, Fishing, Mining, Oil and Gas; Utilities; and Construction. The services-producing sector includes Trade; Transportation and Warehousing; Finance,

proportion of part-time employment in the services-producing sector grew from
16.8 percent in 1990 to 21 percent in 1997, while the proportion of part-time
employment grew only slightly in the goods-producing sector over the same
period (6.8 percent in 1990 to 8.3 percent in 1997). There are significant
variations in the proportion of part-time work in particular industries within the
services-producing sector. For example, 38.2 percent of accommodation and
food services workers were part-time in 1998, compared to only 5.8 percent in
public administration.

In 1997, the average number of officially unemployed was 39,000, for an average
rate of unemployment of 8.8 percent. When discouraged workers and the
involuntary part-time workers identified as identified through the LFS are
added, this figure increased to 11.7 percent. The increasing numbers of those not
in the labour force is typically seen as due to factors including personal, health or
family reasons. At the same time, the trend in the population to jobs raises some
important questions for local labour market adjustment and inclusion, and
requires additional research and investigation.

Insurance and Real Estate; Professional, Scientific and Technical Services; Management, Administrative
and Other Support; Educational Services; Health Care and Social Assistance; Information, Culture and
Recreation; Accommodation and Food Services; Other Services; and Public Administration.

Appendix 7

Workfare and Human Rights

"Everyone, as a member of society, has the right to social security
and is entitled to realization, through national effort and
international cooperation and in accordance with the organisation
and resources of each State, of the economic, social and cultural
rights indispensable for his dignity and the free development of his
personality." - Article 22, Universal Declaration of Human Rights,
Adopted by UN General Assembly, Resolution 217A (III), 10
December 1948.

"Everyone has the right to work, to free choice of employment, to
just and favorable conditions of work and to protection against
unemployment." Article 23.1

"Everyone, without any discrimination, has the right to equal pay
for equal work." Article 23.2

"Everyone who works has the right to just and favorable
remuneration ensuring for himself and his family an existence
worth of human dignity and supplemented, if necessary, by other
means of social protection." Article 23.3

"Everyone has the right to form and to join trade unions for the
protection of his interests." Article 23.4

"Everyone has the right to a standard of living adequate for the
health and well-being of himself and of his family, including food,
clothing, housing and medical care and necessary social services,
and the right to security in the event of unemployment, sickness,
disability, widowhood, old age or other lack of livelihood in
circumstances beyond his control." Article 25.1

The impact of social assistance reform and the introduction of workfare has

resulted in significant violations of the following economic, social and civil rights

in Ontario, as defined by international bodies such as the United Nations:

1. The *human* right to subsistence and the maintenance of reasonable income security and freedom from poverty.

2. The *civil* right to privacy, e.g. freedom from mandatory drug testing, supermarket fingerprinting practices, and the release of personal information.

3. The *industrial*[1] right to organize collectively.

4. The *economic* right to fair and freely chosen employment.

As can be seen from the above extracts from the International Covenant on Human Rights, workfare violates a wide range of employment rights, including the right of legislative protection to organize collectively. Workfare-related human rights violations affect a wide variety of groups. The conditions of workfare participants are only part of the story of workfare. Groups negatively affected included not only workfare participants, but all social assistance recipients, as well as caseworkers, community agency staff, and unionized and un-unionized workers. Human rights are significant insofar as they provide a benchmark for social movements and class actors in projects of social transformation, in both defensive and offensive struggles.

In November 1998, hearings on Canadian compliance with the International Covenant on Human Rights were undertaken, with submissions from social action organizations and the Canadian Government[2]. According to the United Nations Committee on Economic, Social and Cultural Rights, "too many questions failed to receive detailed or specific answers" from the Government of Canada's panel of experts. While social welfare is a provincial responsibility within Canadian federalism, the nation-state remains the accountable body.

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[1] The term 'industrial', used in recognition that mandated work activities should be considered work within the context of industrial relations legislation.

[2] United Nations Committee on Economic, Social and Cultural Rights, Concluding observations of reports submitted by CANADA to the Committee on Economic, Social and Cultural Rights. Hearing on the rights covered under articles 1 through 15 of the International Covenant (E/1994/104/Add.14) at the 46th to 48th

In March 1999, Canada again came under the scrutiny of the United Nations, this time, the Human Rights Committee[3], with regards to the United Nations Covenant of Civil and Political Rights and the submission of the Canadian delegation. The Committee was concerned about the lack of remedies for the violations of articles 2, 3 and 26 of the Covenant, and called for the amendment of existing human rights legislation to "guarantee access to a competent tribunal and to an effective remedy in all cases of discrimination" (Recommendation C9).

Gaps between the Canadian Charter of Rights and Freedoms and the protections required under the Covenant on the one hand, and existing federal and provincial legislation on the other were also noted by the Committee. New measures were recommended "to ensure full implementation of Covenant rights" and "the establishment of a public body responsible for overseeing implementation of the Covenant and reporting any deficiencies" (Recommendation C10). Considering the jurisdictional dimension of the 'hollowing out' of Canadian federalism, it is also the case that a gap exists between standards and effective rights between the national and provincial levels of government and the Canadian charter. The U.N. appears to have a formal say, but little recourse for enforcement. State sovereignty remains important with 'hollowing-out' processes, in that provincial jurisdiction and the abrogation of federal responsibilities associated with devolution makes this likelihood even weaker.

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meetings of the Committee held November 26-27, 1998, and adopted at the 57th meeting held on 4 December 1998. Geneva: United Nations.

[3] United Nations Human Rights Committee, Concluding observations of the Human Rights Committee on the report submitted by Canada under article 40 of the Covenant. Tabled at the 65th session of the Human Rights Committee. The fourth period report of the Government of Canada was considered at the 1737th and 1738th meetings of the Committee held 26 March 1999 and the concluding observations were adopted at the 1747th meeting held on 6 April 1999. New York: United Nations.

Recommendation C12 noted that homelessness in Canada has led to possible violations of Article 6 the UNHRC, and that according measures should be taken by the State party, following Article 6, to address the health and mortality costs of homelessness. Recommendation C16 noted with concern that the State party was allowing "increasing intrusive measures affecting the right to privacy" (Article 17) of social assistance recipients based on identification techniques, including fingerprinting and retinal scanning, and called for Canada to eliminate such practices.

The high rate of poverty among women, especially single mothers, was also singled out by the Committee as a concern (Recommendation C20). Many children also are without protection, despite their Covenant rights. The UNHRC report also raised the issue that the current administration of the National Child Benefit (NCB) would lead to non-compliance with Article 24 of the Covenant (Recommendation C18). Only Newfoundland and New Brunswick allow welfare recipients to retain both the new NCB and the provincial welfare benefit. In Ontario, the basic needs allowance for children as part of the family beneficiary unit was cut to $175.00 a month in October 1995. With the NCB "claw-back" in August 1998, it dropped by $50.00 to $125.00 a month.

In the report on human rights in Canada by the United Nation's Committee on Economic, Social and Cultural Rights, Bill 22 was also found to be in violation of Article VIII of the Charter on Economic, Social and Cultural Rights. The provincial government maintains that it is not in fact illegal for welfare recipients to be members of trade unions. In an exchange with NDP leader Howard Hampton, Social Services Minister Janet Ecker made the point that "there are people on welfare who have part-time jobs in unionized workplaces". The government also emphasizes its commitment to getting people "off welfare" and into "paid jobs". By this statement, however, they are admittedly consigning the

unemployed on social assistance to inadequate incomes and devaluing the work that Community Placements workers perform within the voluntary and non-profit sectors.

A question to the minister from MPP Peter Kormos about why the government was trying to deny community placement workers the right to unionize in order to improve their employment incomes, made the important (and rare) connection between the right to organize and the means to realize economic improvements:

> Minister, you shouldn't be denying workfare participants the right to organize; you should be telling them how to do it, so that they don't move from social assistance to working poverty but into an adequate standard of living in a unionized job.

The rights of freedom of assembly and freedom of association are unjustly abrogated by the Act to Prevent Unionization (Bill 22). As noted recently in the House of Commons by Ottawa-Carleton-Centre MP Richard Patten, Bill 22 is in violation of the United Nations International Covenant on Economic, Social and Cultural Rights. The UN committee that oversees the implementation of the Covenant called upon the Ontario government to repeal the legislation, which it considered to be "a clear violation of Article 8 (of the Covenant)". Recommendation C17 of the UNHRC report on Canada found that Bill 22, the *Act to Prevent Unionization with respect to Community Participation under the Ontario Works Act*, which passed the Ontario legislature in November 1998, violated the right of all citizens to freedom of association as enshrined in Article 22 of the Covenant. The UN's recommendation that workfare participants should not be denied the right to join a trade union and to bargain collectively raised the ire of

Janet Ecker, who stated that "people on welfare should not be going on strike" while working at non-profit agencies[4].

The <u>Social Assistance Bill of Rights</u> of RECAP, an Atlantic anti-poverty coalition, sets out seven basic rights for social assistance recipients. They include:

1. A universal and equitable social security system
2. An adequate income
3. Freedom from enforced poverty
4. A secure income
5. To refuse employment or training for valid reasons
6. To be treated with dignity and respect
7. A just and speedy appeal process

Because social assistance is the "lowest tier of Canada's income security system", it has always had "the lowest benefits and the most punitive rules". Unlike other programs, welfare-workfare is also based on the requirement to demonstrate need. A basic right within Item 1 is that welfare entitlements be based on lack of income, as opposed to demonstrated need.

The Social Assistance Reform Act of the Harris Government and its new regulatory framework for social assistance have been noted by provincial, national and international observers as abrogating the civil, social and economic rights of the citizens of Ontario. Particularly of note are the regulations for Bill 142, the Social Assistance Reform Act, as amended by Bill 22, the Prevention of Unionization Act. Umbrella groups across Ontario representing various communities of interest in social policy as well as in labour market training have highlighted the government's violation of established principles. Examples include the Social Planning Councils (SPCs) and Social Planning Network of Ontario (SPNO), as well as umbrella groups such as the Ontario Network of

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[4] April Lindgren. "UN out of line criticizing Ontario social policies, minister says." *National Post*, 13 April 1999.

Employment Skills Training Projects (ONESTeP) and the Ontario Network of Advocates for Community-Based Training and Education for Women (ACTEW).

There are many different individual stories of human rights violations of social assistance recipients in the modern era of workfare. Many of these stories have been documented by anti-poverty organizations, community legal clinics, the health sector, the training sector and local government sources in Ontario. Provincial and local qualitative (interview/focus group-based) research on participants' experiences of Ontario Works has been conducted, and is also helpful in gauging the human rights impact of workfare. Provincially, *Workfare Watch*, a project of the Metro Toronto Community Social Planning Council and the Ontario Social Safety NetWork released a 1999 report last year, Broken Promises: Welfare Reform in Ontario. Locally, the regional social services department funded a research project based at the Social Planning Council of Ottawa-Carleton, *Monitoring Ontario Works in Ottawa-Carleton*, who also released their final report entitled Plain Speaking: Hope and Reality in 1999.