



**CUPE ONTARIO'S PRE BUDGET  
SUBMISSION TO THE ONTARIO  
GOVERNMENT**

**STANDING COMMITTEE ON  
FINANCE AND ECONOMIC AFFAIRS**

**28 January 2010**

CUPE Ontario's Social Service Workers Coordinating Committee (SSWCC) represents over 30,000 social service workers in Ontario. Our members include Associations for Community Living, Children's Aid Society's, Childcare, community agencies and municipal social services workers. Our sector also includes children's mental health, shelters/hostels and WSIB workers. The SSWCC is part of CUPE Ontario, which represents over 200,000 members that work and participate in our communities across the province.

This is perhaps one of the most critical junctures to comment on the state of Ontario's social services given the recent global economic situation. Ontario's social services are being stretched to a breaking point despite some positive policy efforts. Acknowledging the difficult times Ontarians face and the positive initial steps the Liberal Government has taken on poverty reduction, we respectfully submit that without additional and sustainable resources to Ontario's social services the issue of poverty and its causes will be compounded instead of redacted. Our members and the services they provide are often the last lifeline for those in need of support.

It is CUPE Ontario's position that continuing to delay the cost of children's services in Ontario will result in mounting deficits of the future. Making both, an economic and social investment in services such as child welfare, children's mental health services and full day learning will be both a deficit and poverty fighting measure. These investments could act with a double barreled approach to achieve the government's goals of reigning in Ontario's debt and reducing poverty by 25% in five years.

Nowhere is this more evident than the current state of children's supports such as child welfare, children's mental health and child care. Child welfare agencies provide critical services in the province, which ought to include services such as prevention, community development, connecting families to community resources and perhaps most important, child protection. Children's mental health services in conjunction with children's aid services as well provide an intervention for our young people and their families that lay a cornerstone in the future health of our society. The medical and community supports provided by these agencies and its workers are often the way out of crisis for one in six Ontario children. Finally, one cannot discuss a continuum of children's services without highlighting the importance of a quality, affordable and accessible child care system. It is child care that enables working families to remain active participants in the labour market and offers children – through early learning – a positive head start on their futures. These services and the children that need them are at risk and further marginalized by the current state of the system.

Our member's concern rests on two core issues; first, we do not wish to see the children and families we serve continue to deal with systemic hardship and second we submit that current underfunding or worse the prospect of outsourcing or cuts to services will lead to the direst of consequences on individuals and their families. When our members are not able to effectively execute their work it can often lead to the severe consequences, which can include compounding social issues such as substance use, poor physical and mental health and violence. The government's steps to achieve poverty reduction – particularly regarding children – are put at risk without predictable and sustainable support in the form of adequate funding and staffing levels in sectors such as child welfare, children's mental health and child care.

## **Children's Mental Health & Welfare in Ontario**

### **Children's Aid:**

There is a calamitous situation that exists in Ontario's child welfare system – both the mental health and protection/prevention systems. These systems, which are intrinsically linked, operate under broken funding formulas that routinely do not provide the resources to deliver what is either mandated or expected. These are systems, which a just society must successfully operate. To not properly fund these services has dramatic social and economic costs. For example, a 2003 report to the Law Commission of Canada<sup>i</sup> provides a glimpse of what child abuse may cost Canadians:

“[C]alculations for the total costs-over \$15 billion-of child abuse for Canadian Society were as follows:

- Judicial \$ 616,685,247
- Social Services \$ 1,178,062,222
- Education \$ 23,882,994
- Health \$ 222,570,517
- Employment \$11,299,601,383
- Personal \$ 2,365,107,683

Total \$15,705,910,047”

The report stated that the \$15.7 billion “reflects a minimum cost to society”. If the government was to invest in child welfare and restore funding to the sector, the spinoff effect is Ontario's share of the above numbers would decrease in key areas – employment, health and social service costs. This money could be utilized to sustain the child welfare sector in the future; decrease spending in key budget items and work to obtain the provinces anti-poverty goals.

Children's aid services only represent 1.2% of 2008/09 provincial program spending<sup>ii</sup> and are currently being underfunded in the neighbourhood of \$67 million. For example, prior to the Ministry of Child and Youth Services stepping in, the Payukotayno agency was facing a 30.4% shortfall.<sup>iii</sup> To further exhibit the issue, not only is the system not being funded adequately, but the funding formula is not fair; it does not capture actual costs for local agencies. The Simcoe County CAS recently reported that for a child in foster care, there is a \$16 per day shortfall that the agency must absorb, which represents around \$2 million per year.<sup>iv</sup> The shortfall is also, disproportionately, being felt by Northern and Aboriginal communities. Late last year, Grand Council Chief Patrick Madahbee stated, “Some of our agencies report that they will not have the funds necessary to provide the required services mandated by the Child and Family Services Act.” The Chief added that First Nations child welfare agencies are already being funded at levels 22% below provincial agencies across Canada before the announced cuts.<sup>v</sup>

Representing child welfare agencies in the province, our members are struggling to provide mandated (for example child protection) and additional (for example abuse prevention or community development) child welfare services. Adding to the systemic pressure is a constant fear for workers as many agencies have experienced layoffs, or they are being announced. This is happening in communities such as Windsor, where the bulk of the recession is being felt and cuts to social services will further injure those communities. Not surprisingly, this is negatively impacting recruitment and retention of frontline workers and as a result, is having a very direct impact on consistency of services.

There is one final example that is perhaps the hallmark of this crisis. The James and Hudson Bay Family Services agency and the families it serves have experienced all the layers of this crisis and this is where the situation has become most tragic. Unfortunately, it is also indicative of the situation facing many Northern and remote aboriginal communities. Late last year, prior to an ‘eleventh hour’ funding

decision by the Honourable Minister Broten, this Moosonee-based agency was scheduled to layoff all of its staff – up to and including the executive director – and essentially wind up operations. The context of this becomes more chilling as the communities surrounding James Bay are experiencing an epidemic of suicides – in 2009 13 youth committed suicide and another 80 attempted. Recently, the government announced a further \$470,000 in order to fund prevention workers, but this is not close to the \$24.6 million in funding that Northern child welfare agencies are missing to equalize the level of care experienced in Southern Ontario. The reality is, costs to service remote areas are higher, as evidenced by the (up to) \$400 a minute it costs to charter a plane to respond to an emergency situation. The government needs to make a commitment to avoid another year of tragedy in these communities.<sup>vi</sup>

### ***Solutions on the way?***

It is our understanding that the recently formed *Commission to Promote Sustainable Child Welfare* is expected to make recommendations on changes to the child welfare system. Our members are interested in actively participating in the consultation process and to hear what the Commission will say in the coming months. However, they are a long way from reporting any recommendations on the aforementioned situation and this is a situation that needs immediate and decisive action. It is CUPE Ontario's belief that stability is needed while the Commission does its important work and funding ought to be provided in order to allow agencies to effectively plan and deliver services as long as the current funding crisis remains unresolved. This service needs to be funded; the negative impacts to society are too great.

“Children who live in situations of family violence can suffer immediate and permanent physical harm, even death. They can also experience short and long-term emotional, behavioural and developmental problems, including post-traumatic stress disorder. In 6 out of 10 cases of physical and sexual abuse, the victims have considerable problems with behaviour, negative peer involvement, depression and anxiety, violence to others, developmental delays, irregular school attendance, and inappropriate sexual behaviour.”<sup>vii</sup>

### **Children's Mental Health**

This sector of children's social services is the clearest example of how delaying costs will only multiply them later. There is an array of savings that could be realized when effective children's mental health treatment is available. Some estimates put the cost of mental health on the Canadian economy at \$30 billion<sup>viii</sup>. An investment in this sector could keep our labour market working by offering treatment; lower the provincial deficit by managing budget items associated with health care and not add to social issues sometimes associated with mental illness, such as homelessness.

CUPE Ontario views youth mental health issues as a child welfare issue and a significant and persistent matter in the province. As detailed in the 2008 Ontario Auditor General (OAG) review and the 2006 Ontario government policy framework, 15 to 21% of children in Canada deal with “some form” of mental health issue; in Ontario this translates into (estimated) between 467,000 to 654,000 kids. This becomes more severe when one considers that suicide is the second leading cause of death for 10 to 19 year olds. The scope of this issue is likely growing, both in numbers and in severity of cases as need outpaces the sector's capacity – the OAG estimates only 1 in 6 kids is receive service.<sup>ix</sup>

Even with the investment the Ontario government has made, a significant number of children and their families struggle to get adequate assistance – programs are inconsistent and waiting lists can be long. The OAG has further detailed the challenging situation facing this sector:

“There is little doubt that child and youth mental health agencies work in a difficult environment. Over the years, agencies have operated without the benefits of a legislated mandate and mandatory funding for their services. In addition, there has been little ministry direction as to what kinds of services should be provided and what the acceptable standards are for the services that are provided, including requirements for access to those services and performance measures. As a result, over the years, agencies have operated with considerable autonomy, which has resulted in a patchwork of services for children with mental health needs both locally and across the province.”<sup>x</sup>

Regardless of past funding increases to children's mental health, there has not been a significant boost to core programming funding in ten years. Agencies delivering services have had to take monies from other areas in order to deliver services. The OAG further crystallized the issue:

“This erosion of funding amounts to reduced services for children needing mental health support, in particular prevention and early-intervention programs designed to reach children before their mental health issues are severe, and staff cutbacks. In addition, the lack of funding has damaged the development of infrastructure and administrative capacity as it relates to Human Resources, Finance, Evaluation, and so on, despite program growth and increased complexity in service delivery across the system.”<sup>xi</sup>

Compounding the above encapsulation of the issues facing the sector is the last policy framework released by the province in 2006 – *A Shared Responsibility* – which, is meant to be implemented over a ten-year period. Ten years is too long to address the serious issues that are present in the sector right now.

Not effectively addressing issues of children's mental health may have significant long lasting economic impacts. In addition to the evidence, which tells that untreated issues may result in exacerbating social issues such as homelessness and health care costs, there are now possible connections to the labour market. Although “preliminary”, the results of a recent study from the EU looked at national trends in youth mental health and how it was connected to a country's labour market. From the Canadian Mental Health Association in November of last year:

“The study compared findings on the levels of mental health symptoms self-reported by 15 year olds in the World Health Organization's study "Health Behaviour in School-Aged Children" with labour market measures from the Organisation for Economic Co-operation and Development's Labour Force Statistics database from 1983 to 2005. Ten countries were included in the study based on the availability of data: Austria, Belgium, Denmark, Finland, Hungary, Norway, Spain, Sweden, Switzerland and the United Kingdom. The symptoms measured in the study were low feelings, difficulties falling asleep and headaches.

The study found that as the proportion of young people aged 15 to 24 not in the labour force grew, there was an increase in the proportion of 15 year olds exhibiting mental health symptoms. This trend was stronger in girls.”

Clearly this is a concern that not only has the ability to devastate the individual and/or their family, but may have long reaching social and economic impacts.<sup>xii</sup>

Again, joining the chorus is the OAG: "The potential consequences of not meeting a child's mental health needs include poor academic achievement, conflict with the law, substance abuse, and inability to live independently or hold a job. Many of these problems continue into adulthood and often affect the next generation."<sup>xiii</sup>

In addition to the possible effect on a future labour market, other social issues may also arise as result of not effectively dealing with children's mental health. For example, Toronto Star Columnist Carol Goar recently highlighted Raising the Roof's detailed state of youth homelessness. Many youth that now live on the streets or 'couch surf' may have been involved in 'the system' prior to experiencing homelessness. Perhaps worse, homeless youth were never connected to resources in the first place, which may have been a contributing factor to their street involvement.

There is an estimated 65,000 Canadian youth that are homeless (ages 16-24) in any given year. Aside from being homeless, youth detailed a litany of issues, which they had to deal with, including, 68% had been in a youth centre, foster care or a group home; 37% had witnessed substance use in their families and 33% reported struggling with mental health issues. To compound matters further, the study reported that participating youth had their own struggles with substance use, involvement with law enforcement and either had children or a pregnant partner – it is these issues that the children's mental health and child welfare systems can play a role in mitigating, through early and continued intervention.<sup>xiv</sup>

Both experiences of abuse and/or mental health issues can lead to the same issues in the lives of Ontario's youth. Currently and for the future, the government needs to renew its commitment to the young people of the province when they are most at risk to ensure positive outcomes, both for individuals, their families and the province's economy as a whole.

### **Child Care Sector**

The Ontario government has made a historic and significant investment in addressing the issue of early learning through the soon to be implemented full day learning program for four and five year olds, which arose from the *With Our Best Future in Mind* report. However, as this program materializes, there are potential negative consequences both on the horizon and the doorstep that are affecting the province's childcare system and needs immediate attention.

The importance of this sector to society and the economy is difficult to refute. Few that have examined the child care sector, dispute the concrete and intangible positive outcomes a robust child care system brings. Economically speaking, child care multipliers and indicators are impressive. For example, some studies have indicated that child care may have equal or stronger linkages to the economy as the retail and tourism industries. Quebec, with their universal program, has seen the benefit; the CD Howe institute has reported that 40% of the cost of the child care system was covered by new tax revenue from the increased labour market that resulted from the system. Finally, Manitoba has shown us every dollar spent on child care generated \$1.58.<sup>xv</sup> The Child Care Human Resources Sector Council detailed the positive economic outcomes further. The Council has stated that every dollar invested in childcare increases GDP by \$2.30 and investing \$1 million in childcare would create 40 jobs – 43% more jobs than the next leading industry.<sup>xvi</sup> In addition, to the economic evidence, a comprehensive quality child care system, which incorporates early learning is a driver for the future prosperity – culturally as well as economically – of the province.

The province's early learning program has moved to harness the aforementioned benefits. However, CUPE Ontario members are concerned that the government's investment may not result in the positive outcomes expected, given the recent news that child care spaces may actually disappear from their communities. In both Windsor and Toronto, child care capacity is being threatened with Windsor examining closing centres and Toronto looking at potentially having to cut thousands of spaces. CUPE Ontario members are left to query how this unintended consequence of early learning implementation will be remedied in an already fractured system, which serves our youngest children.

Given the power of investment in child care to create jobs and act as an economic driver, we call on the Province to take a holistic view of early learning and correct the diminishing capacity in the sector. Using Windsor as the example, it is quite likely a swath of social and economic infrastructure could be lost during a time it can least afford it – this example could well be replicated across the province. The Ontario government's commitment to its children's well-being is clear in both rhetoric and in the foundation that has been laid in the early learning program. However, achieving a quality, affordable and accessible continuum of child care, is intrinsic to raising 25% of children and their families out of poverty in five years.

### **Recommendations:**

#### ***Child Welfare:***

- Immediately reinstate funding in the upcoming budget to cover shortfalls in provincial child welfare agencies in order to provide predictable public funding until the Commission announces their recommendations
- Strike a balance in resources to the child protection and mental health agencies by ensuring Northern and Aboriginal agencies have the resources to complete their mandate and assist their communities – it is particularly important to ensure staffing levels and administrative/travel cost are met

#### ***Children's Mental Health:***

- Ensure additional resources for children's mental health agencies that can mitigate waiting lists, resolve administrative issues and provide quality sustainable programming
- In funding this sector, ensure resources are directed to enhancing a coordinated and accessible system as opposed to continuing a fractured patchwork of services

#### ***Childcare:***

- Follow through with full implementation of *With Our Best Future in Mind* (the early learning program blueprint)
- Provide resources to ensure the stability of the childcare sector beyond initial implementation of the early learning program. Municipalities are about to incur the loss of child care spaces across the province, which will lead to further hardship in an already fragmented and under resourced sector

## **Conclusion**

Child welfare, mental health services and child care are too important to cut as both a deficit and poverty fighting measure. The evidence suggests that we will compound future budget problems if these services are not provided in a way that effectively delivers services. Poverty already costs too much in real and social costs and children's social services often represent the first, the best and the last lines of defense for children and their families in the struggle against poverty and its repercussions. As estimated by the Ontario Association of Food Banks, the cost of 'poverty' to the province in 2008 was between \$32 to \$38 billion and the poverty rate is estimated to grow to 13.6% this year (up from 10.3% in 2006).<sup>xvii</sup> Given the economic and social costs, these services should be invested in. This investment would also act as a preventative measure as, unfortunately, overall poverty can also be a driver for creating the circumstances in which family violence occurs. These numbers and the people they represent, clearly show we must support an effective, holistic, proactive and sustainable children's social service system.

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<sup>i</sup> Audra Bowlus, Katherine McKenna, Tanis Day and David Wright. *The Economic Costs and Consequences of Child Abuse in Canada*. Report to the Law Commission of Canada, March 2003. Available at [http://dsp-psd.pwgsc.gc.ca/collection\\_2007/lcc-cdc/JL2-39-2003E.pdf](http://dsp-psd.pwgsc.gc.ca/collection_2007/lcc-cdc/JL2-39-2003E.pdf). Chart on page 5

<sup>ii</sup> RBC Economics Research. *Ontario Budget 2009 Impact of the recession is evident but is it being sufficiently countered?* March 26, 2009. Viewed at <http://www.rbc.com/economics/market/pdf/ontbud.pdf> on 01.06.10. Authors note: 1.2% arrived at by dividing \$1.4 billion, 2008/09 Children's Aid spending into \$88.5 billion (RBC/Ontario Ministry of Finance) 2008/09 program spending.

<sup>iii</sup> Ontario Association of Children's Aid Societies. News Release. *Ontario's most vulnerable children to be affected by government cut-backs*. October 14, 2009

<sup>iv</sup> The Barrie Examiner. *CAS nearly bankrupt: official*. January 21, 2010. Viewed at: <http://www.thebarrieexaminer.com/ArticleDisplay.aspx?e=2270101>. Information/article quote attributed to Midland Mayor and board member Jim Downer.

<sup>v</sup> Chris Kornacki, Wawatay News. *First Nation leaders to meet with Ministry of Children and Youth Services*. November 16, 2009. Found at [http://www.wawataynews.ca/archive/all/2009/11/16/First-Nation-leaders-to-meet-with-Ministry-of-Children-and-Youth-Services\\_18536](http://www.wawataynews.ca/archive/all/2009/11/16/First-Nation-leaders-to-meet-with-Ministry-of-Children-and-Youth-Services_18536). Viewed 10.11.2009

<sup>vi</sup> Talaga, Tanya. *Help on way for natives coping with teen suicide*. The Toronto Star; parentcentral.ca. January 21, 2010. Viewed at: <http://www.parentcentral.ca/parent/newsfeatures/article/753721--help-on-way-for-natives-coping-with-teen-suicide>. Paragraph also includes additional information from author's files.

<sup>vii</sup> National Clearinghouse on Family Violence. <http://www.phac-aspc.gc.ca/ncfv-cnivf/publications/rcmp-grc/fem-vioeffects-eng.php>. Viewed 11.19.2009

<sup>viii</sup> Scientific Advisory Committee to the Global Business and Economic Roundtable on Addiction and Mental Health. (2002). *Mental health and substance use at work: Perspectives from research and implications for leaders*. Unpublished paper. Viewed and taken from Mental Health Works at: [http://www.mentalhealthworks.ca/facts/why\\_it\\_matters.asp#note5](http://www.mentalhealthworks.ca/facts/why_it_matters.asp#note5)

<sup>ix</sup> Government of Ontario. *A Shared Responsibility Ontario's Policy Framework for Child and Youth Mental Health*. Ministry of Children and Youth Services. Found at <http://www.children.gov.on.ca/htdocs/English/documents/topics/specialneeds/mentalhealth/framework.pdf> & 2008 Ontario Auditor General Report. Chapter 3, Section 3.04. *Children and Youth Mental Health Agencies*. Found at: [http://www.auditor.on.ca/en/reports\\_community\\_en.htm](http://www.auditor.on.ca/en/reports_community_en.htm) & [http://www.auditor.on.ca/en/reports\\_en/en08/304en08.pdf](http://www.auditor.on.ca/en/reports_en/en08/304en08.pdf)

<sup>x</sup> Ibid, pg. 3 of 22.

<sup>xi</sup> Ibid, pg. 4 of 22.

<sup>xii</sup> Canadian Mental Health Association, Ontario release. *Study looks at possible links between the labour market and youth mental health*. November 12, 2009. Found at: [http://www.ontario.cmha.ca/mental\\_health\\_notes\\_story.asp?cID=373802](http://www.ontario.cmha.ca/mental_health_notes_story.asp?cID=373802). Viewed 11/23/2009. Complete study available at [www.biomedcentral.com/bmcpublichealth](http://www.biomedcentral.com/bmcpublichealth).

<sup>xiii</sup> 2008 Ontario Auditor General Report. Chapter 3, Section 3.04. *Children and Youth Mental Health Agencies*. Found at: [http://www.auditor.on.ca/en/reports\\_community\\_en.htm](http://www.auditor.on.ca/en/reports_community_en.htm)

<sup>xiv</sup> Goar, Carol. *Street kids' toughness only skin deep*. Thestar.com. November 23, 2009. From: <http://www.thestar.com/printarticle/728825>. Viewed on 11/23/2009. Column references Raising The Roof report Youth Homelessness in Canada

<sup>xv</sup> Prentice, Susan. *Old Dollars New Sense: Recent Evidence and Arguments about Child Care Spending*. Canadian Centre for Policy Alternatives. *Our Schools Our Selves; Beyond Child's Play*. V. 18 N.3 (#95) Spring 2009. Pg. 4/5 Available at: [http://www.policyalternatives.ca/sites/default/files/uploads/publications/Our\\_Schools\\_Ourselfe/OS\\_OS\\_95\\_Pren\\_tice.pdf](http://www.policyalternatives.ca/sites/default/files/uploads/publications/Our_Schools_Ourselfe/OS_OS_95_Pren_tice.pdf)

<sup>xvi</sup> Child Care Human Resources Sector Council. *Workforce Shortages Socio-economic Effects Report*. Pg. 31. From *A Great Place to Grow Public Child Care* – CUPE Research.

<sup>xvii</sup> Laurie, Nathan (Lead author) & Adam Spence (Supporting author). Ontario Association of Food Banks. *Fighting Poverty The Best Way To Beat The Recession*. March 2009. Available at <http://www.oafb.ca/assets/pdfs/FightingPoverty.pdf>, viewed 01.06.10