



**OPSEU CHILDREN'S AID SOCIETIES**  
*"Advocating for Workers Who Support Children and Families"*

Honourable Dwight Duncan  
Minister of Finance and Chair of Treasury Board/Management Board of Cabinet  
C/o Budget Secretariat  
Frost Building North 3<sup>rd</sup> Floor  
95 Grosvenor Street  
Toronto ON M7A 1Z1

January 26, 2009

Dear Minister Duncan,

Thank you for the opportunity to provide input into the 2009/10 Provincial Budget. OPSEU represents over 3000 members who provide protection services in our communities. I believe that I can help you with some perspective on the current situation in our child welfare system. As a mandated service we are seized with the responsibility to help and protect Society's children and to work with their families. Children's Aid Societies provide services where often there are no other services available or even welcomed in the most marginalized of families. Campaign 2000 called on the federal government and provinces to achieve minimum poverty reduction targets of 25% in child poverty rates in each province-territory by 2012, and minimum reductions by 2017.<sup>1</sup> Refocusing child welfare services by using the guiding principles of the Transformation Agenda<sup>2</sup> enables the professionals who work in the Children's Aid Societies to do what

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<sup>1</sup> Novick, M> (September, 2007) Summoned to Stewardship: make Poverty Reduction a Collective Legacy, Toronto: Campaign 2000.

<sup>2</sup>Ministry of Child and Youth Services (July 2005) Child Welfare Transformation 2005: A strategic plan for a flexible, sustainable and outcome oriented service delivery model

they do best and meet the increasingly complex needs of children and families; now is the opportunity to fund it.

In response to your four questions:

**1. During this period of global economic uncertainty and fiscal challenges, what should the Ontario Government's top priorities be for the 2009 Budget.**

The Ontario government approved a reformation of the Child Welfare System in the form of "Transformation". The transformation agenda was organized around seven pillars; Intake and Assessment, Court Processes and Alternative to Court, Legal Service Delivery, Collaboration with Justice Sector Partners, Expanded Permanency Planning Options, Rationalized Accountability Framework, Sustainable Funding Model, Single Information System and a Provincial Research Agenda. The guiding principles for reforming child welfare are not at question, however, professionals are not able to excel and implement the tools and assessment skills require due to the time limitations set and increased administration responsibilities.

The transformation agenda takes the best social work practices and applies it daily to working with vulnerable and disadvantaged families. It helps keep families together and helps those who cannot transition home into Kinship homes and on to permanent adoptive homes. In 2006 the government implemented kinship care through legislation again, but continue to fall short on funding in fact not funding it at all. "These children are less likely to be re-admitted to care once they return home. Some studies, however, have raised concerns about inadequate supports provided to kinship placements. The ministry will support the expanded use of kinship care by providing funding flexibility for children's aid society staff to provide additional supports in situations where kin are caring who has not been formally admitted to children's aid society care.<sup>3</sup>The expectations are out of

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<sup>3</sup> Ministry of Children and Youth Services (July 2005) Child Welfare Transformation 2005

control in comparison to the ability of agencies to appropriately implement Kinship Care services because of lack of funding in this most important area of child welfare.

Child Welfare in Native communities is in dire need of attentive funding. As outlined in the transformation agenda “Block 4 funding will allow for the future development of a northern remoteness factor and/or French language service factor that could capture related costs not contained in core funding. Future policy work is required regarding the need for such funding and to identify what it would contain.”<sup>4</sup> They were identified, but the funding has not been followed through on. Native communities are struggling with implementing the Transformation in all areas; foster care, kinship care and protection services are struggling. Communities that are “fly in” require a better understanding from the government about the complexities of child welfare in remote and rural communities. “Delivering child protection services in remote, isolated communities, accessible only by air or ice roads for a few months in the winter, present serious logistical challenges.”<sup>5</sup>

Deficits are becoming the “norm” for agencies and the government does not address the shortfalls, services will be cut and our families will suffer. There is no other way for Children’s Aid Societies to recoup deficits without service cuts and/or appropriate funding. Children’s Aid Societies have requested a workload/Time/Services study be completed by the government considering the reformation of the Child Welfare system to “Transformation.”

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<sup>4</sup> Ministry of Children and Youth Services (July 2005) Child Welfare Transformation 2005

<sup>5</sup> Northern Remoteness Study and Analysis of Child Welfare (pg 11)

Recommendations:

- Prevent any further program/service cuts in services in Children's Aid Societies by stabilizing the 2009-10 core budgets regarding the implementation of "Transformation", including Kinship Care services.
- That any 2007-08 year end deficits which would result in further layoffs and loss of service programs be eliminated.
- That there be an infusion of dollars to assist in stabilizing staff retention and recruitment challenges especially in rural and native communities. Staff turn over, increasing sick time and workload especially regarding increased administrative duties have significantly increased with the implementation "Transformation, 2005" "PRIDE 2002", and "SAFE Assessments 2005."<sup>6</sup>

**2. During the Challenging economic times, should the Ontario Government strive to achieve a balanced budget or run a deficit in order to protect priority programs and services?**

Balanced budgets make good sense in good economic times where the GDP, job creation and infrastructure is thriving. When people have money they spend money, they have opportunities to be productive and healthy individuals in all areas of their life. When economic times have a downturn and families lose their income stress builds and families suffer in those dark times. Therefore infusing finances into services in these dark times is essential for our families and our economy and if this means running a deficit budget then yes proceed with a deficit budget.

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<sup>6</sup> Ministry of Child and Youth Services (July 2005) Child Welfare Transformation 2005: A strategic plan for a flexible, sustainable and outcome oriented service delivery model

History has shown us that in dark economic times that people react more aggressively and stress levels increase in families. Children's Aid Societies have found that in cities where employment and hard economic times have been experienced that there is a significant rise in child protection services. The longer this economic crisis takes to adjust itself the more the workload will increase in Child Welfare agencies. We understand that there are volume adjustments at the intake and investigation levels but the ramification to all the services is not taken into consideration. If we do not have appropriate funding to adjust to these dark economic times services will be stretched and when services are stretched the excellent and essential services that children's Aid Societies provide will suffer and children and families will bear the scars of the economy.

Studies have shown that crime and violence cost Canadians \$120 billion/year (Heckman 2006) and that mental illness and behaviour problems cost a further \$100 billion per year (Gnam et al 2006). These societal "costs" do not at all contribute to healthy economic growth and job creation.

It is time for the Ontario Government to 'invest' in its future through job creation programs that support the mental and physical well being of its most vulnerable citizens. The timing of this investment for our collective future is critical.

**3. Given the current fiscal challenges, what government programs could be delayed, phased in more slowly eliminated?**

The Ministry of Children and Youth Services has been infusing money into a computer system that is costing millions of dollars. This information system called the "SIS" or "Single Information System" is an excellent idea but in these economic times creating, patching, fixing and planning to implement this system to the 53 Children's Aid Societies is and will be an unnecessary expenditure in these dark economic times. In early 2008 it was reported that approximately 12 million had already been directed to this project in the three test sites and more finances have been poured into the "system" in the past year. Capital funding

projects are part of the budget and should not be exempt from cuts or slowdowns with deficit budgeting.

**4. What further steps can the Ontario government take to promote economic growth and job creation?**

In delaying the capital funding in the SIS project the savings for this fiscal year could be redirected to reinvesting into services such as Kinship Care and First Nations Agencies. This situation is emphasized in this quote “Nothing could have prepared the consultants for the impact of what was experienced in visiting the first Nations community. In twenty-five years of Child Welfare Service, this consultant had never witnessed such appalling conditions. The physical state of the office would not have met any standards that exist in the south. Windows were broken and in some cases boarded up, offices were cramped and overcrowded. This experience was to be repeated in other communities as well.”<sup>7</sup>

The Provincial Government must continue to fund Public Services at levels that are appropriate and healthy. Public Services will help keep the economy running while the Province and the economy make adjustments. Without appropriate funding employers will cut services which in turn cut jobs and in turn cuts spending which will keep the economy from rebounding.

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<sup>7</sup> pg. 3 Northern Remoteness Study and Analysis of Child Welfare...

*“Economists measure the impact of different types of spending on overall economic growth. What we have learned is that government spending on income support, social services, and infrastructure raises national income by more than the dollar amount spent. The consulting firm, Moody’s estimates that one dollar spent on infrastructure adds one dollar and then another 59 cents more to GDP in the same 12 months. The reason is that government spending has a multiplied impact, it gets passed on to others, and spent again rapidly. For example, every dollar increased Employment Insurance payments creates .69 cents in GDP growth above the dollar received. On the other hand corporate tax breaks return less than their dollar value to the Canadian economy. Cuts to corporate income tax amount to only 30 cents in increased spending for each tax dollar not collected over 12 months.*

*Spending is linked to production by contracts signed across the economy. For instance, workers sign collective agreements with employers. When wages go up, more money is available to be spread throughout the economy. But, if workers are fearful for their jobs they may save, rather than spend.<sup>8</sup>*

##### **5. How Can the Ontario government work more effectively with other levels of government and other key partners during challenging economic times?**

There is common ground for child welfare services. The Transformation Agenda Organization Chart identifies committees to structure and implement the seven pillars of reformation. That organization involves the Ontario Association of Children’s Aid Societies and the Child Welfare Secretariat. In another forum, labour (OPSEU and CUPE) jointly meet with the Ontario Association of Children’s Aid Societies to stimulate ideas and shape the common ground. Creation of a central committee that addresses the very needs of societies most vulnerable is key in indentifying the gaps and improving services in the communities.

Bringing together the cornerstones of the community and generating cross-sectoral debate on community services including but not limited to: children’s mental health, child care, developmental services, family and children’s services would allow the government to

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<sup>8</sup> National Union of Public & General Employees (December 2008) Making Public Services a Priority,

assess the funding formula to proactively address the changing profile child welfare services providers are faced with including more chronic and multi-layered problems associated with neglect, exposure to domestic violence and socio-economic disadvantages.

The Province *must* continue to pressure the federal government to collaborate with other levels of government in the federal-provincial block funding transfer payments.

Respectfully Submitted

Rick Pybus  
Chair  
OPSEU Children's Aid Society Sector

Cc: Honourable Deb Mathews, Minister Children and Youth Services

