

Some advice Mike Harris might not have wanted

Social spending boosts productivity,
says member of panel ex-premier set up

Queen's Park

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There are several things that suggest Mike Harris was thinking of the future in his last days as Ontario premier.

For a start, he left his job in plenty of time for a successor to get established and to have a reasonable chance at securing a third consecutive Progressive Conservative government. (Ernie Eves has to answer for what he's done in the past 16 months.)

Mr. Harris also secured himself the post of chairman of Ontario's Promise, an unpaid job that gave him a Queen's Park office just down the hall from his old one and the ability to charge Peak Freans to the public.

Finally, he set up a panel to look at the way Ontario is governed. This move was viewed scornfully when Mr. Harris first announced it three months before he left office, mostly because it had been proposed in an earlier Throne Speech under a bunch of other initiatives under the head-

ing of of "smaller government." And then it was forgotten.

The seven-member panel, under University of Toronto dean of law Ron Daniels, is plugging along, however, and is expected to release its report by the end of the year. It has commissioned a number of research papers — on such issues as education, job training and competitiveness — to try to get a handle on what government should look like not just in the next four years but in the next four decades.

One of the people Mr. Daniels has turned to is Judith Maxwell, president of Ottawa-based Canadian Policy Research Networks. Adding her voice to the debate ought to allay concerns that the panel was laying the groundwork for more privatization.

Ms. Maxwell is still famous for the term "social deficit" she coined a decade ago in taking on neo-conservatives who saw little beyond their battle with the fiscal deficit. And in her paper written for the panel and being released today, she suggests that Ontario's policies have led to the "individualization of risk" that used to be borne by governments and employers.

In her analysis, the postwar social contract that underpins a range of social programs was based on the assumptions that



KEVIN FRAVER/CANADIAN PRESS

Then Ontario premier Mike Harris listens to a Throne Speech at Queen's Park in April of 1999. Before leaving office, he established a seven-member panel to look at how Ontario is governed.

families were headed by a sole breadwinner and that a full-employment economy could promise lifelong jobs with a single employer.

In contrast, she writes, people now work for several employers and families have to rely on two incomes, and this is not always enough to raise a family above

the poverty line.

It's not just Ontario, she adds. Governments across Canada have responded to this new social reality by tinkering with programs de-

vised in the 1960s. The drive for efficiency by governments has focused mainly on rewriting the eligibility rules rather than considering what people need. For example, the principle of universality has been chipped away at, with the result that there are large gaps in program delivery.

Ms. Maxwell notes that child-care services in Ontario have not been increased: There are spaces for only about 30 per cent of preschool children whose parents work full-time.

It's a false efficiency, she argues, noting that the dramatic rise in homelessness is a sign of broken services and families. "Social policy in Ontario has not kept pace with evolving needs," she says. "It is still falling short."

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Judith Maxwell, president of Ottawa-based Canadian Policy Research Networks.

The whiz kids in Mr. Harris's office would have dismissed this as a plea for big-ticket social programs.

But Ms. Maxwell says she's not making the case for bigger government simply for the sake of bigger government.

She argues that the new era requires a commitment to social investments because that's the way to boost productivity.

Early-childhood services and better social supports for the elderly and disabled free up people in their prime wage-earning years to work harder (and pay more taxes).

A rise in the minimum wage would also pay for itself because employees would work harder, she says, noting several recent studies.

This may not have been the message that Mr. Harris wanted to hear. But if he really wanted to look at the needs of the 21st century, he and his successors should be listening hard.

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