Measuring Government Performance

Remember the finger pointing the last time the jobless rate increased in Canada? Typically, those supposedly accountable ranged all the way from global money manipulators to federal cabinet ministers to hand-out-addicted workers. Now multiply that finger pointing by the number of social issues that straddle

> **Canadians want to hold governments accountable. Measuring government performance based on specific outcomes is one way of doing this.**

institutional and government boundaries and you have an idea of the size of what academics call "the problem of attribution."

It's much more than just an academic problem. For decades this issue of assigning responsibility has hog-tied attempts to measure how well Canada is achieving some desired social result, for example, the elimination of child poverty. Yet, as demonstrated in Canadian Policy Research Networks' 1995 study *Exploring Social Values – Foundations for Well-Being*, the Canadian public wants to hold governments accountable. Indeed such accountability and the transparency of government to its citizens lies at the core of any new social union.

One way of doing this is measuring government performance based on specific outcomes. For example, what percentage of community college graduates find jobs within a year of graduation is an outcome that could measure performance toward a goal of increased self-sufficiency through lifelong learning.

Such outcome measures have already been used, in various forms and with differing success, to produce "report cards" on governments as disparate as New Brunswick, Alberta, Oregon and Australia. In every instance, however, those involved have had to struggle with the problem of attribution.

So too did the participants in one of the roundtables convened in 1997 as part of Canadian Policy Research Networks' contribution to the social union discussion by First Ministers. Their proposal is a five-stage hierarchy now published as part of a Canadian Policy Research Networks report on the process.

At the top of the hierarchy are desired social outcomes for which no single government can be held solely or directly accountable. But citizens may rightly demand that governments address these outcomes and demonstrate leadership in rallying others to reach these goals. At the bottom are outcomes

tied to programs for which governments should be directly accountable, since these are the

means to the agreed ends. The five levels are:

1. **Indicators of well-being**

   Would monitor the social and economic well-being of society overall. Indicators still to be developed or refined.

2. **Performance measures of Canadian goals**

   While constructing the social union, Canadians identify collective goals or projects. New outcome indicators would track progress.

3. **System performance measures**

   Monitor key systems in the social union, such as health or education. Feeds into the collective goals that Canadians have set.

4. **Program performance measures**

   Expands existing traditional evaluation programs by using comparable data across provincial jurisdictions and by agreement on which outcome measures are most relevant. Also feeds into collective goals.

5. **Measures of adherence to pan-Canadian principles**

   Tackles the constant irritant in federal-provincial relations – the concept that the provinces are accountable to the federal government for compliance with the *Canada Health Act* and similar measures. Transfers this monitoring responsibility to citizens by expressing the principles of the Act as desired outcomes and developing measurements of those outcomes.

These social union discussions were organized and summarized by

Kathy O'Hara, then a Canadian Policy Research Networks research fellow and now a senior official with the federal Treasury Board Secretariat. O'Hara cites the hierarchy concept as a key contribution to the continuing evolution of thinking about outcome measures.

Equally central, she says, is the realization that social union accountability cannot be a top-down process. Citizens must set the objectives particularly for systems, national projects and the overarching indicators. They must also

decide how progress toward those objectives should be measured, i.e., what outcomes matter. The numbers can be gathered by an independent body like Statistics Canada and further analyzed and critiqued by advocacy groups and other non-government organizations.

But, in the end, it's all Canadians who will receive the report card on the health of the social union.

Readings: *Securing the Social Union*, by Kathy O'Hara, CPRN Study No. CPRN│02.

An Era of Change

Not only is the downsizing of their workforces this decade by federal and provincial governments real in numbers, but the changes have also been surprisingly similar in kind. For instance, government workforces both federally and provincially have all noticeably aged, become more gender balanced and swelled in managerial and administrative positions. For the first time this century, the 1996 Census showed a decline in federal and provincial government workforces.

This broad-stroke portrait of the new government workforce emerges from an upcoming study on employment trends in government, one of several projects that make up the Canadian Policy Research Networks' study of Human Resources in Government.

Researcher Joseph Peters pulled together data from 11 statistical sources provided by study participants – the federal government and

the governments of Alberta, Manitoba, Ontario and Nova Scotia – and several series from Statistics Canada. He then used these statistics to examine employment trends for all governments in eight key areas: total employment, employment type (full time, part time, term), function, occupation, age, gender, employment equity, unionization and pension coverage. Although the study includes analysis of the findings, it avoids speculation about why such large-scale restructuring accompanied the downsizing.

An increase in the proportion of management and administrative occupations in both federal and provincial workforces was perhaps predictable, since clerical occupations took the brunt of the blow (94 per cent of the federal reductions, one-third of provincial).

One indicator of the structural change that has taken place is the

finding that the numbers of employees in management and administration actually increased, even while the federal workforce was shrinking by 15 per cent from 1991 through 1996 and the provincial workforce was declining by 22 per cent. Governments have also substantially increased the numbers of their technical computer occupations despite the challenges of downsizing and private sector competition for these occupations.

Hiring freezes have drastically slashed the numbers of new, younger employees. In four of the five jurisdictions covered by the detailed data, employees aged 25 or younger made up less than 2 per cent of the government labour force by 1997. (In Ontario, a mere 0.4 per cent.)
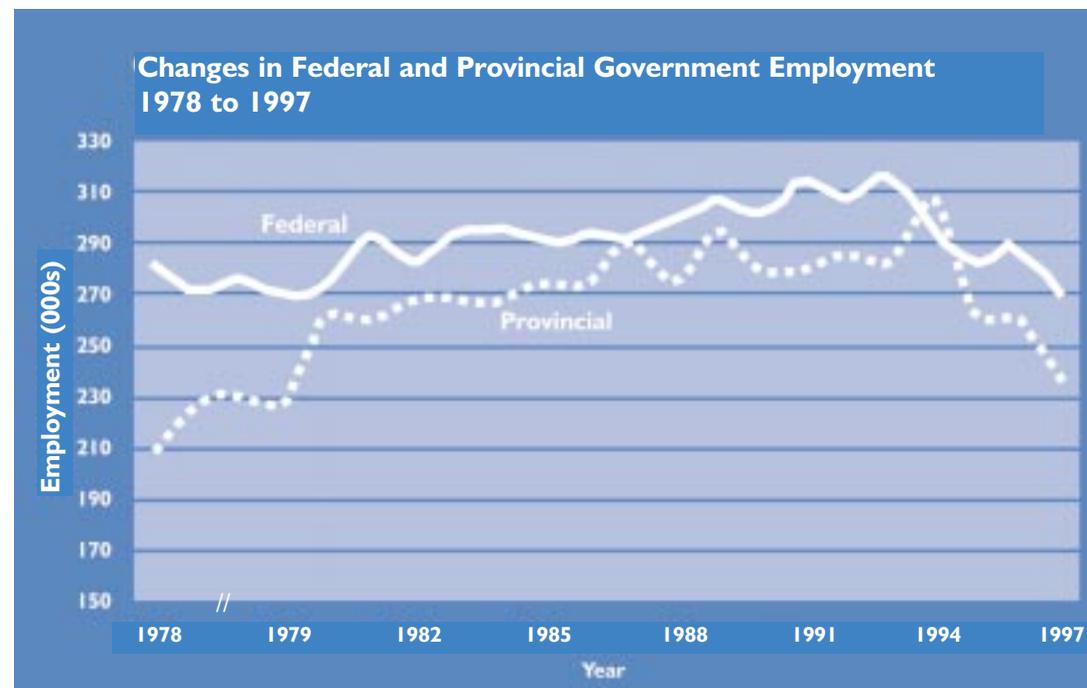
By contrast, the 45-to-54 age group, only one in five government employees a decade ago, constituted nearly a third of the government workforce by 1997. The rapid aging (or greying) of government workforces reflects, and has most likely been accelerated by, a combination of hiring freezes and layoffs.

Overall, government workforces are aging at a much faster rate than the labour force as a whole. In 1997, the median age of workers in Canada was 38 years; for the federal government, it was 41 years and for the provincial governments, 42 years. Perhaps more tellingly, the median age was greater than the mean both federally and provincially, meaning more than half government employees are above the average age.

One problem addressed despite the downsizing, however, is the higher male participation rates of the past. While both the federal and provincial governments were shedding tens of thousands of workers in the 1990s, they managed to continue a trend from the 1970s of increased female participation. By 1997, 47 per cent of the federal government workforce were women; provincially, women passed men in participation in 1993 and have continued to widen the gap. Federally, women's share of executive positions stood at 23.3 per cent in 1997, up from less than 10 per cent a decade before.

The above results deal with the narrow administrative core of governments. The study also took a broader functional look at government by including aspects such as health, education, social services and protection of persons and property. This broad brush analysis produced strikingly different portraits federally and provincially.

Provincially, for instance, nearly three-quarters of the workforce reductions (53,000+ positions) between 1991 and 1996 occurred in the health field and only 1.6 per cent were in education. Federally, just under 70 per cent of cutbacks took place in protection of persons and property, largely reflecting reductions in the armed forces.

For further information, contact Joseph Peters, jpeters@trytel.com

Changes in Federal and Provincial Government Employment 1978 to 1997

Downsizing in both the federal and provincial governments resulted in significant reductions in government workforces during the 1990s. In 1997, total federal government employment reached its lowest employment level in 22 years at 269,000 employees. Full time employment reductions totalled 43,800 federally (1993 to 1997) and 62,000 provincially (1994 to 1997).

Source: Based on Statistics Canada, Labour Force Survey.

Delicate Compensation Balance

Judging by the polls, just about everyone in Canada has an opinion about how well public servants are paid compared to private sector employees. That widespread attention is understandable, concludes a Canadian Policy Research Networks discussion paper, because getting the balance right between public and private compensation has major implications for Canada's economy.

Excessive pay for public employees can lead to swollen government spending, generating either tax increases or budget deficits. In turn, those could produce a political backlash which cascades into large-scale downsizing and inefficient public services. Higher public sector pay can also increase the pressure to raise wages in the private sector.

Just as clearly, low pay scales in the public sector also bear a hefty price tag: low morale, high turnover and recruitment problems – all contributing to an inefficient public service.

Yet despite the crucial public policy importance of the compensation issue, there are substantial gaps in both research and understanding. Most empirical studies of the topic, for instance, use data from the 1970s and early 1980s, with little evidence gathered after the major government downsizing of this decade. As well, there is a paucity of studies about long-term compensation changes that use a consistent data set.

The Canadian Policy Research Networks has commissioned Morley Gunderson, Craig Riddell and Doug Hyatt to fill these research gaps in a major study to be published in 1999. Before launching the study, Gunderson prepared a discussion paper explaining what we do and what we don't know.

This preliminary scan of the knowledge base reports that studies based on data from the 1970s and 1980s found that government employees appeared to be paid between 5 and 10 per cent more than comparable non-government employees. But this pay advantage has been shrinking, mostly because the public/private gap for men has substantially narrowed. For women, however, the public-private gap remains large and may even be increasing, likely because pay equity has been applied more rigorously in the public sector. Local government has the biggest public-private pay gap, followed by provincial government and then federal. The gap also appears higher in the broader public sectors like education and health and welfare than in the narrowly defined government sector. The pay advantage is larger for low-wage employees; high-wage employees may even be paid less than private comparators.

The discussion paper asks what factors shape any wage gap, how they are shifting and what the implications are for the gap in the future. A current overarching influence is the trend in the public sector to incorporate market forces by adopt-

ing certain private sector practices, such as contracting out, performance-based budgeting and user fees.

Yet governments do not go out of business if they fail to "meet the market test." Political constraints, not profit considerations, dominate decision making in the public sector. So governments face public pressure to be model employers and not pay low wages to less-skilled workers. Equally, governments risk voter backlash if they pay CEO-level salaries to top-level personnel.

The model employer pressure also acts in legislated initiatives like pay equity and employment equity, which are far more prominent in the public sector. Pay equity adjustments in the government sector, in the period prior to 1995, typically amounted to a 20 per cent wage increase, boosting total payroll by 4 to 8 per cent.

The impact of labour disputes illustrates another fundamental difference between government and the private sector. A strike in business or industry quickly chokes off revenue, putting employers under economic pressure to settle. In government, however, not only do revenues continue to roll in from taxpayers, but wage bills plummet. Add to this inducement of cost saving the extensive curbs on the bargaining power of most public sector unions imposed over the past two decades. The probable impact, says the discussion paper, has been to dampen government wage increases.

Other factors influencing the public-private wage gap include a government propensity for deferred compensation in the form of job security, liberal retirement packages and seniority-based wage increases and government dominance as an employer in some local labour markets, making it a wage-setter.

Given widespread labour market change in the 1990s involving extensive downsizing and restructuring, it is time to revisit the question of a possible compensation gap between the public and private sectors.

Morley Gunderson, along with co-authors Doug Hyatt and Craig Riddell, are currently analyzing:

new data in order to see how public and private compensation levels compare in the mid-1990s and to determine how the differential has changed over time, and

a variety of data and information sources available from Statistics Canada, including data from the 1996 Census, to determine whether there is in fact a gap in earnings between the public and private sectors and the direction of any gap that may exist.

Any gaps that are found will be separated into the portion that is due to differences in worker characteristics (for example, education levels) and the portion due to pure differences in pay for workers with the same characteristics – the latter being a measure of pure wage differentials between two sectors. The analysis will measure the role played by a variety of factors in determining pay differences

between the two sectors, including gender, skill levels, education, firm size, unionization and level of government (federal, provincial, local).

Readings: *Government Compensation: Issues and Options*, by Morley Gunderson, CPRN Discussion Paper No. W|03.

HUMAN RESOURCES IN GOVERNMENT

Emerging Results

The reports summarized on these four pages are the first gleanings from a pioneering Canadian Policy Research Networks undertaking – the Human Resources in Government project. The overriding goal of the project is to generate the new practical knowledge that governments need to transform the public service, as they head into an era of renewal after a decade of downsizing.

The project is pioneering in several areas. It is a first attempt to picture the public service workplace in human-sized units rather than large departmental bodies. It is also a rare attempt to gather standardized data from each of the participating jurisdictions using a variety of methods. Participation in the project comes from both the federal and provincial levels of government and from key public sector unions. At the federal level, sponsorship of the project is provided by three government agencies – Human Resources Development Canada, the Public Service Commission, and the Treasury Board Secretariat – and by the Public Service Alliance of Canada. Provincially, the project is sponsored by the governments of Alberta, Manitoba, Nova Scotia, and Ontario, with the participation of the largest public sector unions in those provinces.

Case studies for the project range from examining why managers

remain in government jobs to how agencies are innovating. One major survey of workplace issues will ask managers about such topics as organizational change and human resource management innovation, the impact of technological change and the use of flexible work arrangements. A similar large-scale survey of union representatives is also underway. A number of case studies that provide real-world examples of change at the workplace level will complement these surveys. Other research includes a comparison of public and private sector compensation; case studies of collective bargaining issues in five provinces and at the federal level; and the development of possible scenarios for the future shape of government.

The Human Resources in Government project also has links with the Public Policy Forum, which has conducted focus groups with managers to assess the prospects for renewal of government and also surveying university students to see if their career expectations include working for government.

Results from the Human Resources in Government project will be available in a number of background studies and research reports through 1999 and will be highlighted in coming issues of the newsletter.

Rewriting the Medicare Ground Rules

To protect medicare, stop fighting to preserve the status quo and start negotiating to change how medicare works.

At first blush, this advice may seem counter-intuitive. After all, etched deeply into the Canadian psyche are the five principles of medicare: comprehensive, universal, portable, accessible and publicly run. Enshrined in the federal *Canada Health Act*, these principles consti-

Photo by James Steinburgh.
Courtesy of Victorian Order of Nurses, Ottawa-Carleton Branch.

tute the status quo, the shield which many believe protects medicare from the predations of politicians and from contamination by the profit motive.

As a Canadian Policy Research Networks discussion paper demonstrates, however, fundamental changes in clinical practices have reduced the need for health care services in hospitals and in doctors' offices, the historical focus of the *Canada Health Act*.

Simultaneously the same changes in clinical practice have swollen demands for home care and costly drugs, pushing the health burden out into the community and onto individuals. In turn private sector insurance has grown rapidly to cover these two sectors, now both

as much health care necessities as hospitals and doctors' offices.

To adjust to these changes, the paper says, the federal and provincial government should renegotiate what those founding principles mean in today's reality and adjust the "boundaries" of medicare.

Some hard numbers. In the 10 years from 1987 to 1997, the proportion of money spent on drugs has increased by 20 per cent (from 10.4 to 12.6 per cent of each health care dollar), while the proportion spent on hospitals has fallen by almost 20 per cent. While most other categories

Home care and drugs are now both as much health care necessities as hospitals and doctors' offices.

remained roughly constant, the proportion spent on "other" health care costs such as home care shot up by nearly 50 per cent.

Behind these shifts lies a clinical revolution. Better diagnostic procedures such as MRI combined with new surgical techniques have slashed average stays in hospital. Nowadays, for example, few patients remain overnight for gall bladder and tonsil operations.

Meanwhile the breathless scientific advances of biochemistry and molecular biology have produced a continuous stream of new drugs which work better, yet must be taken longer and cost a lot more. Also boosting the overall costs of medical supplies are more sophisticated prosthetic devices and self-monitoring kits, such as the glucometers used by diabetics.

These advances mean that convalescence that used to take place in a hospital now increasingly happens at home, as does palliative care for AIDS and cancer patients.

Add to this mix the rising health care costs of an aging population and diverging provincial medicare policies. The result? The founding principles of the *Canada Health Act* appear to be under assault from all sides and Canadians are increasingly fearful that medicare will not be there when they need it.

"If nothing is done the public perception of a deteriorating health care system will become stronger and the public demand for government action will grow louder," warns Sholom Glouberman, director of the Health Network.

Start with clarifying the roles of federal and provincial governments, reducing the overlap of responsibilities and increasing partnership in the design of health care programs. This process will entail rethinking the existing "boundaries" of medicare – the definition of medically necessary health services, the allocation of funding and political credit and the constitutional balancing necessary for interdependent decisions.

In the end, the five founding principles of comprehensive, universal, portable, accessible and publicly run may still remain but they will reflect the political and medical realities of the 21st century.

Readings: *The* Canada Health Act *and the Future of Medicare*, by Sholom Glouberman, CPRN Discussion Paper, Winter 1999.

For further information, contact Sholom Glouberman, sholom@interlog.com

An Ounce of Prevention

One aspect stands out starkly in a survey of how best to prevent worsening HIV/AIDS epidemics: Countries with strong public health systems have generally managed better. In fact, a Canadian Policy Research Networks study concludes that "public health capacity to detect and respond to emergent and re-emergent infections is a critical part of a best practice system of HIV prevention."

This finding carries a special wallop for Canadians. The most exhaustive review of a public health failure in Canada – the Krever Commission report on HIV-infected blood – described in detail the deterioration of the nation's public health system, concluding this had undermined the national capacity to respond to infectious disease. Yet Ontario has recently downloaded the responsibility for financing public health onto cash-strapped municipalities, raising serious concerns about the future of needle exchange programs and the anonymous HIV testing operated by Community Health Units.

England has benefitted in the HIV/AIDS battle from having maintained a strong public health system. When the HIV epidemic began, England already possessed a ready-made channel for communication with intravenous drug users through drug misuse centres established during the methadone experiments of the 1970s. England also had a decades-old network of well-accepted local clinics for the treatment of sexually transmitted diseases; these provided an instant delivery system and a way to moni-

tor high-risk heterosexual and homosexual populations.

By contrast, the U.S. federal government must spend $30 million a year on HIV/AIDS surveillance, in part because public health budget-slashing in the 1970s and 1980s crippled state and regional surveillance networks.

Yet a strong public health capacity by itself is not enough for effective HIV prevention. After looking at best practices in a half-dozen countries, the research found three other key components:

◾ a community capacity to complement the public health capacity, especially in reaching high-risk marginalized groups such as Aboriginal people and intravenous drug users.

◾ a pragmatic approach which eschews ideology plus a mechanism for decisions insulated from politics.

◾ early intervention with adequate resources.

Consider the contrasting cases of England and Australia, on the one hand, and Canada and France on the other. During the early 1990s, the first two countries invested substantially in HIV prevention; the latter two did not. In England and Australia the HIV/AIDS epidemics are now lower in both prevalence and incidence than in Canada and France.

But money alone isn't sufficient either. By 1996-97, the United States was outspending these four countries on a per capita basis for

HIV prevention. At the same time, however, laws passed by Congress bar federal dollars for needle exchange programs, a proven means of reducing the spread of HIV among intravenous drug users. Similarly in Canada, opposition parties in Parliament have blocked effective intervention techniques such as prison tattoo parlours, which reduce the risk of infection through tattoo needles.

In addition, human rights advocates in several countries have stopped health officials from identifying the ethnic origins of people infected with HIV/AIDS. As a result, researchers cannot look for patterns of transmission linked to ethnicity nor can counselling and prenatal testing be targeted to the groups most at risk.

The best practices survey, carried out by Canadian Policy Research Networks research associate Gregory Williams with co-authors Barbara Legowski and Hadi Abillama, is a follow-up to an earlier report, *The Economic Burden of HIV/AIDS in Canada*, which concluded that Canada has lost ground in the battle against the epidemic for most of this decade. That report estimated the economic burden of this 100-per-cent preventable disease at $1,200 per Canadian, a total of $36 billion, and warned that it could soar by at least $11 billion over the next five years.

Details of the next phase in a national AIDS strategy are expected soon from the federal government.

For further information, contact Gregory Williams,

Asking the Right Questions about Social Cohesion

Nearly four centuries ago, Thomas Hobbes framed the issue of social order in *Leviathan*: "The condition of man," Hobbes wrote of the world in general, "is a condition of war of everyone against everyone."

Yet people manage to live together peacefully – for a large part of the time, anyhow. They do so, according to Hobbes and later followers of the same philosophical bent, because members of society implicitly negotiate a social contract among themselves. That contract

Social cohesion amounts to shared values and commitment to some community.

guarantees social order, at least until it falls apart and has to be renegotiated.

This may sound like little more than the standard survey of the history of Western philosophy, but actually it's the backdrop for an up-to-date issue in which Canadian Policy Research Networks is playing an active role – social cohesion. In the view of some, but most assuredly not all, social cohesion lies at the core of social order.

In addition to assisting the Senate committee that is examining the

topic (see "The Senate Studies Social Cohesion," page 10), the Family Network also asked research associate Jane Jenson to trace how the concept of social cohesion evolved and lay out a research agenda.

First there's the problem of the phrase itself. Because cohesion means sticking together, social cohesion evokes an image of consensus, of avoiding conflict. Instead, insists Jenson, we should think of social cohesion as the result of a society successfully managing conflict without making it worse.

"Some conflict is always going to be there and what you need are institutions that can manage it," says Jenson. You're not going to get any argument from most Canadians about the first part of that statement. Survey after survey confirms widespread belief that the social fabric of our society is fraying. As evidence, most people list some of the following: growing inequality in income and wealth, persistent unemployment (especially among young people),

homelessness, destruction of the social safety net, a continuing decline in some measures of population health. Even when economic growth appears to be back on
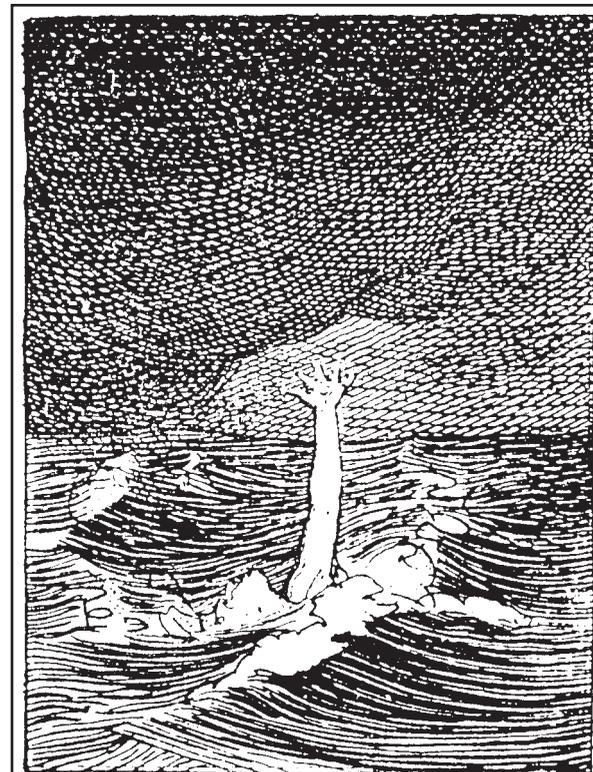
Help! Help!
Publishd by WBlake 17 May 1793

Today, legions of Canadians, unsettled by society's fraying social fabric, feel the sense of helplessness that William Blake, English poet and mystic, so graphically portrayed over 200 years ago. Fostering social cohesion will be a key strategy to mend society's loose ends, according to *Mapping Social Cohesion: The State of Canadian Research* authored by Jane Jenson.

track, fears for the future persist – a widespread cynicism perhaps borne of too many false dawns.

Yet views diverge widely on why the social fabric is fraying and there is little agreement on the cure. Can unpacking the concept of social cohesion help identify a way forward? Maybe. Start with a definition: social cohesion amounts to shared values and commitment to some community.

Historically, however, there has never been complete agreement that social cohesion is the keystone to social order. Classic market liberals, for instance, believe a well-functioning society derives from the value of individual choice and the actions taken by individuals pursuing their own interests, economic and otherwise, in parallel with oth-

> ## Can the identity of citizens be both varied and multiple without threatening social cohesion?

ers. A related view, now common among followers of Robert Putnam, holds that social order arises principally from the co-operation engendered by private associations, like Putnam's celebrated bowling leagues.

A third variation argues that public institutions, including an active government, have a crucial role in fostering social order.

The lesson from this review, says Jenson, is that democratic societies have long debated the best ways to achieve social order. Canadians should expect such debates in the present turbulent times. Yet for the debate and choices to be truly informed, there are three questions about social cohesion which should be addressed by research.

THE RIGHT QUESTIONS

1. **How can social cohesion be fostered?**

2. **What does social cohesion do?**

3. **Can social cohesion threaten social cohesion?**

On the first question, Jenson concluded that the findings about what causes a cohesive society were unambiguous. It is one in which the accommodation of socio-economic conflicts is well managed. This points clearly to the crucial role of institutions, both public and private, in limiting threats to social cohesion – cultural, linguistic or economic.

Equally, however, this clear causation finding underlines the importance of being able to distinguish among institutions. Which ones encourage participation, successfully recognize and mediate differences and also generate a sense of belonging? And does encouraging any kind of participation foster social cohesion, or only participation that comes with some economic autonomy?

Asking what social cohesion does is another way of asking why anyone would want to guarantee its existence. Here the research agenda is wide open because theories abound about where social cohesion has its greatest positive impact – on the health and well-being of individuals, on the health and well-being of entire communities, on economic performance.

Finally, there's the third, seemingly paradoxical question which actually isn't as silly as first appears. After all, a rich, gated subdivision or a golf club that bars Jews or Blacks could be quite "cohesive" communities. Cohesion depends on drawing the line between members of the community and those who aren't members; how that line is drawn may not meet the ideals of a liberal democratic society. There can be too much "bonding," as the current bloody Balkan conflict abundantly demonstrates.

So researchers should examine whether insisting on shared values as a way of increasing social cohesion might not restrict the room for compromise in modern pluralist societies, thus actually reducing social cohesion.

This line of inquiry leads straight to the issue of national identity, particularly relevant in Canada. Can the identity of citizens, including their national identities, be both varied and multiple without threatening social cohesion? At least we've got a jump on research in this particular area.

Readings: *Mapping Social Cohesion: The State of Canadian Research*, by Jane Jenson, CPRN Study No. F|03.

The Senate Studies Social Cohesion

In a pioneering collaboration, Canadian Policy Research Networks research associate Denis Saint-Martin is helping a Senate committee wend its way through the vast uncharted terrain known as Social Cohesion.

In October, the Senate Committee on Social Affairs, Science and Technology began a special study of social cohesion and set a spring deadline for a final report. The committee meets twice a week, on Tuesday mornings and Wednesday afternoons, and usually hears from two witnesses at each session. A key part of Saint-Martin's responsibilities is advising committee chair Senator Lowell Murray about witnesses.

As well, Saint-Martin also helped produce a briefing paper for the Senators that divides the issue of social cohesion into a dozen themes, still ambitiously broad but definitely more manageable.

The social cohesion themes include:

- why is the debate taking place now?
- what is the link with the economy?
- how can societies balance a cohesive social fabric with globalization's demand for economic flexibility?

- what is the impact of structural changes in the world of work?
- what is the effect on cohesion of today's "time crunch" lifestyles, especially among lone-parent families?

Photo by Michael Bedford.

- will the demands of an aging baby-boom generation put pressure on Canada's social fabric?
- what about challenges such as the unity debate?
- how influential is income disparity?
- what are the implications of cultural diversity and identity?
- how much can the voluntary sector help?
- what is the role for businesses and trade unions?
- does the Information Society help or harm social cohesion?

To tackle such meaty themes, the Senators have so far heard from

some of Canada's best-regarded policy analysts, including senior federal officials from Justice Canada and Canadian Heritage, the economics duo of Informetrica president Mike McCracken and Dalhousie University professor Lars Osberg, pollster Michael Adams of Environics, political scientist Alain Noël from the University of Montreal, and Pierre Paquette, former Quebec unionist who has taken a leading role in that province's social economy debate.

"Senate committees generally have their own people who do this sort of thing, but they usually come from the research branch of the Parliamentary Library," says Saint-Martin.

In this case, however, Canadian Policy Research Networks is working with an officer from the Library. While studying at Harvard University, Denis Saint-Martin developed his expertise on social cohesion by assisting Jane Jenson with the Mapping Social Cohesion project (see "Asking the Right Questions about Social Cohesion," page 8). Saint-Martin now teaches political science in the School of Public Administration at Carleton University.

A Relationship Look at Work

For a truly penetrating insight into today's changing employment relationships, forget official policy papers, academic studies or the latest management guru. Read comic strips like Dilbert and Cathy.

reduction of income support programs, increase in non-standard work and the impact of new technologies.

Do the concerns of Cathy and Dilbert have a place in the public policy debate about work? A new

An underlying premise of the new project is that the traditional structural-based analysis is missing many of the policy implications of the current transformations in the workplace, just as it missed the fall-out of lower morale and productivity from corporate downsizing.

Cathy©1998 Cathy Guisewite. Reprinted with permission of Universal Press Syndicate. All rights reserved.

Just recently, for instance, Cathy was being lured back to the company which had unceremoniously shoved her out the door in a downsizing fervor. Given the task of enticing her to return was the same outside consultant who'd been brought in for the wholesale firings. He's also Cathy's ex-boyfriend. While self-employed, Cathy had stayed up to date on her old workplace because her former boss had hired her on contract for several jobs.

Meanwhile political debate about employment seems stuck in a rhetoric rut of "jobs, jobs, jobs." And policy discussion about employment overwhelmingly concentrates on structural changes, such as economic globalization,

research project is setting out to put that sort of human face on the issue by looking at labour markets and workplaces from a grassroots perspective of the changing relationships among employees, between employees and employers and between employees and other agencies and groups, such as trade unions.

"We want to develop a new set of lenses through which to view the current dramatic changes in work. The value would come in generating really fresh policy debates about the future of work," says Graham Lowe, director of the project on changing employment relationships.(see also page 13).

A few of the key research questions are:

Do new employment relationships, such as mixing permanent and contract employees on a project, affect how employees co-operate to get the work done?

Are employers tackling issues like trust, loyalty and commitment in the light of these new relationships?

What are the implications of changing relationships for workplace equity (which groups have access to good work opportunities) and equality (the overall distribution of earnings and benefits)?

Lowe cautions that the project will not produce a model of what future employment relationships should look like. The final product will be a report that sets out the implications of the changing employment relationships for income security, collective bargaining, human resource development, employment standards, retirement policies, and the links between work and family.

That report is due in February 2000. Between now and then, the project will produce an initial discussion paper, hold a national roundtable, contract for a national survey of at least 3,000 adults and expose eight focus groups to the survey results. Progress will be regularly discussed with an advisory committee.

For further information, contact Graham Lowe, graham.lowe@ualberta.ca

READER SURVEY

Thanks to readers who took time to answer our survey. Based on their recommendations, this next newsletter series will:

- reflect the growing integration of the work of our three networks,

- include a commentary by the President,

- provide insights from roundtables,

- complement Internet communication (e-mail and web), and

- present articles better.

Forging Ahead

The Canadian Policy Research Networks' experiment with public dialogue – The Society We Want – confirms that citizens can and want to be more involved; that citizens do add value. It has further confirmed the need to revisit our core social values at a time of social and economic transformation.

Traditional methods consist of conferences, public meetings, focus groups, etc. They all have their role, but they do not have the same payoffs as public dialogue.

Consultation often consists of venting, giving rise to me-first attitudes and at the end, a sense that government knows best. It is a more controlled process and usually involves stakeholders and interest groups. Conversely, public dialogue permits learning, establishes common ground, acknowledges that citizens add value, allows for moral choices and a more open dialogue involving both groups and citizens. However dialogue does take more time and requires a tool kit to guide participants through a more in-depth discussion. For the past few months, Rhonda Ferderber and Miriam Wyman have been renovating the tool kit, based on the experience to date.

The next phase of The Society We Want will create a more inclusive dialogue among Canadians by:

- Updating the dialogue tool kit and creating new, more streamlined and user-friendly tools to reflect the growing body of knowledge on good citizen engagement practices and to ensure the tool kit can be used by all Canadians.

- Broadening the base of participation by expanding outreach through current community-based partners and additional organizations working with diverse and more marginalized citizens.

- Introducing new feedback forms to provide a stronger information base. The new research design will provide more reliable input to policymakers, academics, and others who need to know about these results.

The first new Issue Guide, to be available in January, will focus on health care: the difficult trade-offs among affordability, access and more comprehensive coverage (for home care and pharmaceuticals). A second Issue Guide on work will follow in a few months.

For further information, contact Rhonda Ferderber, rferderber@the-wire.com or Miriam Wyman, mwyman@the-wire.com

New Work Network Director

For our three research networks the whole should be greater than the sum of its parts. **Graham Lowe** is looking forward to collaborating on a new project with his colleagues at Canadian Policy Research Networks to demonstrate the truth of this axiom.

Although the idea is still very preliminary, Lowe is excited about developing an integrated project that will involve the Work, Family and Health Networks in examining the modern work environment in all its complexity. Canadian Policy Research Networks' challenge would be to identify the public policy gaps and tackle these within a short time, such as three years.

Lowe, until now a Research Fellow, became director of the Work Network in January with **Gordon Betcherman's** departure for the World Bank. He'll continue to work from the University of Alberta campus in Edmonton, where he is a sociology professor.

"I'm hoping that my ties with the university environment will help bring more of the rigorous academic research to bear on the public policy debate," he says. The university's Faculty of Arts apparently sees an advantage to the arrangement, since it has granted Lowe an unpaid two-year leave.

One barrier to a greater use of academics and their research, Lowe says, is that the social sciences in universities have become increasingly specialized and narrow in focus. Yet for many Canadians the greatest pressures arise in the interstitial spaces between academic disciplines – balancing the competing demands of work, family and health.

"We need to fill in the grey areas between family, work and health so we have a fuller understanding of what's happening. If people are stressed out at work – from downsizing and having to do more with less – that's going to affect their family life and that's going to affect their health." **Rhonda Ferderber**, Manager of the Family Network's The Society We Want project could not agree more: "It seems clear that these aren't three separate boxes in the minds of the participants."

As a concrete example of the policy ramifications, Lowe cites the off-on debate about a national child care scheme. If this became a serious government priority, the role of employers would have to be factored into any public policy. Yet very little research has been done on this aspect.

How the transformation of the workplace is affecting people at the level of family and personal health was touched upon in *The Future of Work in Canada*, which Betcherman and Lowe co-authored for Canadian Policy Research Networks. Lowe is also project director for the Work Network's look at changing employment relations (see "A Relationship Look at Work," page 11).

Currently on a research professorship to complete a book about job quality, Lowe has been at the University of Alberta since receiving his PhD in sociology from the University of Toronto in 1979. His research interests span issues such as school-work transition, labour market trends, job stress and training and human resource development. A third edition of his textbook, *Work, Industry and Canadian Society* (co-authored with Harvey Krahn) was published this year.

Graham Lowe

Farewell to Gordon Betcherman

In July 1998, Canadian Policy Research Networks said farewell to **Gordon Betcherman**, who is now Senior Economist, Labour Markets at the World Bank in Washington. Gordon is the founding Director of the Work Network and has been a key player in shaping the growth and direction of Canadian Policy Research Networks since it was launched in December 1994. We wish him every success in his new endeavours and are pleased that he has agreed to remain a member of the Canadian Policy Research Networks Board of Directors.

Kathryn McMullen has been appointed Work Network Leader, with added responsibilities for coordinating Network projects.

Anil Verma, Professor of Industrial Relations and Human Resource Management at the University of Toronto, has joined the Network as Research Fellow, with a lead role in the Human Resources in Government project.

In the Family Network, **Sharon Stroick** joined the Toronto office as Research Associate for the Best Policy Mix for Canadian Children project. Sharon holds a PhD in Environmental Design and is from Calgary.

Rhonda Ferderber is Manager of The Society We Want, on interchange from Health Canada. She was responsible for communications and consultation for the National Forum on Health.

Miriam Wyman has joined The Society We Want as Outreach Coordinator. She brings to this position more than 20 years of work in public involvement, primarily in environmental decision making.

Joe Michalski is Research Associate for the Family Dynamics project in the Family Network, and comes to Canadian Policy Research Networks from the University of Toronto, School of Social Work.

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Securing the Social Union, by Kathy O'Hara, with the assistance of Sarah Cox. CPRN Study No. CPRN|02. 1998. 113 pp. $15.95.

This study reports on a unique effort to think through ways for federal and provincial governments to manage the interdependence of their actions with respect to social policy and programs. The focus shifts from the Constitution to the pragmatic questions of how governments deal, day-to-day, and year-to-year, with issues that are central to the well-being of citizens.

Project Funders:

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Social Policy, Human Resources Development Canada

Mapping Social Cohesion: The State of Canadian Research, by Jane Jenson. CPRN Study No. F|03. 1998. 49 pp. $9.95.

As many Canadians fear economic hardship and other threats to our social well-being, the academic and policy communities are looking to social cohesion as a way to set a course toward calmer waters. Efforts to strengthen social cohesion through shared values and commitment to a community is one strategy to journey forward through challenging times. Other strategies include building social capital or strengthening the social economy through the non-profit sector.

Canadian Policy Research Networks' newest research report, *Mapping Social Cohesion: The State of Canadian Research*, guides readers through the historical and contemporary debates on the concept of social cohesion. It also lays out a research agenda.

Project Funders:

Canadian Heritage
Department of Justice Canada
The Kahanoff Foundation Nonprofit Sector Research Initiative

Training for the New Economy – A Synthesis Report, by Gordon Betcherman, Kathryn McMullen, and Katie Davidman. 1998. 100 pp. $15.95.

They are the engines of the new economy – entrepreneurs, self-employed professionals and small businesses – but without improved access to training, they may fall behind in technological skills and service delivery. They lack time, information and money, according to this new report by the Canadian Policy Research Networks.

The report suggests strategies to adapt the training market to the needs of employees and bridge the gap between training "haves and have-nots" in the new economy.

Training for the New Economy is a must-read for everyone interested in today's labour market and tomorrow's economy.

Project Funders:

British Columbia Ministry of Skills, Training and Technology

Canadian Labour Force Development Board

Human Resources Development Canada

New Brunswick Labour Force Development Board

Ontario Ministry of Education and Training

Saskatchewan Department of Education, Training and Employment

AVAILABLE SOON: **External Review Committee Report**

IN THE MEDIA

The release of *Training for the New Economy* in July has caught the attention of the business press. **The Toronto Star's** Economics Editor, David Crane, wrote two commentaries on the issue. The report was also highlighted in **The Globe and Mail** and in Southam papers.

Le Devoir and **The Toronto Star** greeted Judith Maxwell's commentary on family policy (see page 16) in their columns and she was invited to discuss the issues on **CBC Radio's** review of the week in politics **The House**.

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The Nonprofit Sector Research Initiative was established by The Kahanoff Foundation to promote research and scholarship on nonprofit sector issues and to broaden the formal body of knowledge on the nonprofit sector. The Initiative works to increase understanding of the role that nonprofit organizations play in civil society and to inform relevant public policy. The Initiative has sponsored the social cohesion and nonprofit sector studies.

Family Policy: Breaking the Paralysis

Family life and work life are interdependent. Yet, families are compelled to trade off their need for income against their need for time to nurture, do the chores, etc. In 1998, roughly 63 per cent of two-parent families have two earners, a two-fold increase since the 1970s. And 15 per cent of families are headed by lone parents. Meanwhile, changes in the labour market and shrinking public services have eroded the buffers between family and work.

Conflicting values and a policy impasse are paralyzing action:

> Most men and women believe that women should contribute to family income, but they worry about the impact on young children.

> Different sets of values call for very different solutions: Income transfers? Or universal child care?

Other industrialized countries have confronted these tensions and have come up with a range of responses. Four models emerge:

Breadwinner: This model, in place in Germany, is designed to reduce the economic penalties experienced by women who stay at home with young children. (Only 40 per cent of German women work for pay, and just half of them work full time.) Germany requires employers to provide up to three years of parental leave, makes minimal investments in child care, and the tax system favours one-earner families.

Gender equality: In the home and the workplace, gender equality exists in Norway and Sweden. Norway, for example, has recently introduced a controversial new child care allowance, which becomes a cash grant for families whose children do not have places in child care facilities.

Choice: France supports choice, with extended parental leave for those who wish to stay home but generous child care supports and a universal family allowance. In France, for example, 85 per cent of 3 and 4 year olds go to *écoles maternelles*, which are accessible whether or not both parents work.

Paralyzed: In the United States, policy development has been deadlocked by the polarization of the debate between "breadwinner" versus "gender equality" images of family policy.

Canada has the worst of all worlds. Canadians show a lot of concern about the impact of dual-earner families on young children. For a good reason: 72 per cent of women with children under 16 work full time, which is high by international standards. Canadian women also work longer hours per week and per year than do women in most other industrialized countries; there is growing pressure on lone-parent women to work, even when their children are young, and Canadian policies provide far less support than do most other industrialized countries, though the United States invests even less than Canada.

Canada has fallen decades behind in balancing work and family. However, recent innovations do show encouraging signs of change. The National Child Benefit is a national initiative, fuelled by a sizeable new investment of federal funds. It is part of a federal-provincial agreement that entails provincial investment and reinvestment in services and benefits for low-income families, as well as supports for healthy child development. Saskatchewan, Ontario and British Columbia have developed diverse programs aimed at low-income families and high-risk children. Quebec is moving in the direction of France and Australia – the choice model.

Canada might end up with many "models" in support of families. The challenge will be to monitor the progress of children in each province, to learn from all their experiences, to understand how these new strategies combine with other policies and programs.

Now is the time to break out of the policy impasse. No child, no family, is an island.

Judith Maxwell

President,
Canadian Policy Research Networks