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➤ **Forging a New Consensus for Canada by Peggy Taillon,
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Introduction

Social cohesion is not just the absence of conflict. It is the ability to move forward in the same direction with shared purpose. It is a mandatory requisite for a smaller, trading country like Canada. We can only exercise our full strength through some essential level of agreement.

Canada must have continuous nation-building by furthering a genuine consensus across provinces, cultures and languages. We require much more than passive tolerance of one another to advance on our common problems.

At the core of the Canadian idea has been a broad definition of success as shared progress for all its citizens, measured in terms of income, opportunity, well-being and the enjoyment of social rights and freedoms. It has been coupled with a special responsibility to ensure that those who are vulnerable are not left behind. The assumption of common advancement has reached across political party lines, governments and generations. This Canadian aspiration gave expression to underlying individual values of hard work, fairness, merit, and shared taking of responsibility.

Shared Prosperity or Increased Polarity?

Decades of accomplishments in support of shared advancement have recently been followed by a period of stagnation where outcomes have become stalled and have begun to be reversed, for a variety of reasons. Consider:

- We are running the very real risk that our children will be the first “reverse generation” in Canadian history, i.e. one that is less well off than the one before.
- Growing income inequality is becoming entrenched.
- Middle-class families are working more but not getting ahead, except by borrowing much more and saving much less.

- Health-care universality is threatened by a loss of faith in its affordability.
- Poverty has become a bog that entraps people contending with life challenges or transitions, caused in part by ineffective government policy.
- Our collective failure to grasp sustainable development puts us on the other side of our values and international expectations.

In part, this is the result of a loss of will and focus. In recent years, almost imperceptibly, Canadians have been cajoled by a variety of voices on the right to reduce expectations and to accept the lowest common denominator of what we can accomplish together. Individuals and families are being encouraged to look after their own interests. Economic problems are portrayed as the results of “international” and “global” conditions beyond our reach. Our policy choices are reduced to seeking growth in GDP (our so-called “standard of living”) regardless of benefits delivered for the well-being of average Canadians. Social needs and government responses are vilified as complex, costly and muddled jurisdictionally.

We cannot afford to take our social cohesion for granted. The increasing contrast between the lived reality and the country that most Canadians presume they live in can quickly lead to alienation. What follows then is not only lost promise, in terms of meeting our challenges, but the road to a loss of trust in institutions and increased rates of crime and other social dissonance.

There is tremendous opportunity today to forge a new consensus for Canada. Canadians are a fundamentally generous and optimistic people. We still have time to exercise enlightened approaches to our major challenges, which range from an aging population and a shrinking labour force to competitiveness and poverty, in ways that can galvanize most Canadians to become supportive of our will to benefit the greatest number.

On the political plane, a “progressive” party is not the one that does the best job of defending the old status quo, but rather the one that is best able to define the improved future we can attain. Some fresh thinking and fresh acting are the price of admission.

The political challenge is not only knowing what is needed, but how it can be delivered. Compelling and credible implementation should be regarded as the new holy grail of progressive politics. Federal proposals cannot afford the luxury of being abstract in the eyes of average Canadians. There is a modern test for federal involvement. Will the benefit to individuals, families and communities happen more quickly and effectively as the result of our involvement? Otherwise, we should leave the matter to provincial and local jurisdictions. Proving what will work has to be the price of being at the table.

Reframing Development

Development implies change. It is a dynamic and continuous process that moves economies and, ideally, moves people from lower stages to higher stages of progress and prosperity. It is a process of economic and social transformation within countries. The concept of development is essential to embrace the major economic and social objectives (most often regarded as unrelated) and values that societies strive for. The purpose of development is to reduce poverty, inequality, and unemployment. The major objectives of development discourse are to reduce poverty and to provide for basic needs simultaneously.

Development efforts must look beyond economic markers of success and focus on efforts specifically shaped to achieve the type of economic growth that contributes to social cohesion and human development. Social and economic development must happen in tandem for sustained progress and shared prosperity to occur. Policies and interventions that build cohesion and address inequality must be coordinated and work under a common framework. A comprehensive approach

would ensure that fiscal policies would create the conditions for success in local Canadian communities by ensuring that social, environmental and democratic goals are considered along with economic outcomes. Development within this new frame would lead to social cohesion and prosperity.

Choosing to Build Together

At a time of growing income inequality, a time of unprecedented rising costs at every level, a time where good quality jobs are disappearing, our government appears to be forging a new path, one that will see it disinvest in its obligations to those living on the margins. This will tear apart communities and ensure an erosion of the very things that have for decades defined Canada.

There is no magic for addressing inequality, but it does take leadership. The choice is simple. Governments can create the conditions for success, or choose to stratify the country. Despite some evidence to the contrary, it appears that we are on the latter path. Leadership is about making tough choices, the tougher the times, the tougher the choices. Governments at all levels can set the tone and, even in times of austerity, have the ability to create the conditions that build social cohesion. It's all about priorities and perspective.

Building social cohesion is not simply the responsibility of government; business, private citizens and civil society all have a role to play. But we all know governments set the prevailing character of a country. Communities thrive when enabling conditions are present. People form communities when people have good jobs, meaning in their lives, strong family support, good living standards, opportunities to participate.

People, citizens, are the real wealth of a nation – all people, equally. That was a central tenet within Canadian development. Today, there seems to be a concerted effort afoot to divide Canadians, be it by region, ethnicity, aboriginal status, or income. But Canadians will only allow this for so long, as building divisions is not the Canadian way. Canada is in desperate need of a new consensus, new ideas for new challenges and new approaches to old ones.

No government has ever used GDP per person as its only goal. But in the last 30 years, income creation, as measured by GDP, is often focused on as the most important measure, if not an excuse, with governments claiming we cannot afford the “luxury” of harmonious social relationships when they stand in its way.

Emerging evidence confirms that GDP is a valuable goal but that other things also matter greatly. GDP should not be pursued to the point where: economic stability is imperiled, community cohesion is destroyed, the weak lose their dignity or place in the economy, ethical standards are sacrificed, or the environment, including the climate, is put at risk. Canada must choose. We must engage and be engaged. The stakes have never been higher.

Canada is renowned internationally as a moral compass, has a rich heritage of leading both in progressive ideas, and in translating them into thoughtful policies that unite Canada. We are wired to consider the greater good. Divide and conquer policies will only serve to widen the gap between the haves and the have-nots, drive a wedge between generations, and tear apart communities at a time when we need to come together more than ever before. If given a choice, Canadians would do what they have done since Confederation, we would choose to build together.

The opinions expressed in the article are the author(s) and do not necessarily reflect the views of the ICSW Management Committee

➤ *Social Protection Floors: a new approach for social protection in Europe*

The seminar convened in March 2014 in Rennes, France, by ICSW Europe and other organizations representing European civil society was devoted to the applicability of social protection floors (SPFs)

in the EU.¹ The meeting explored the achievements of the existing systems of social protection in the European region, as well as the steps that need to be taken to plug existing gaps.

Social security as a fundamental human right and an economic asset

In the European region it is generally acknowledged that the aims of social security are to provide income security, secure medical care and reduce poverty. Social security is also seen as an economic necessity, because it enhances productivity, facilitates consumption and promotes economic development. Examining the SPFs concept in the context of the current situation in the EU provides an opportunity to understand the challenges of its extension to more developed regions—not simply achieving a bare minimum of social protection, but rather offering a means of strengthening and enriching the existing systems in Europe.

To describe the social changes presently operating in Europe, some long-term trends should be taken into consideration² :

- growing dependency ratio (1,29 in 2010 vs. 1,44 in 2030)
- growing participation of women in the labour force
- growing regional imbalances in employment (illustrated, for instance, by the emigration of young and skilled people of Eastern and Southern countries to the richest countries).
- increasing diversity of the population structure, composition of the work force and ways of life (e.g. in the past 5 years, two thirds of the population growth in the EU region was due to non-EU citizens)

1

According to ILO Recommendation 202 adopted in June 2012 concerning national social protection floors (SPFs) they should comprise at least the following four social security guarantees, as defined at the national level:

access to essential health care, including maternity care;

- basic income security for children, providing access to nutrition, education, care and other necessary goods and services;
- basic income security for persons in active age who are unable to earn sufficient income, owing, in particular, to sickness, unemployment, maternity and disability;
- basic income security for older persons.

The Recommendation recognizes the primary responsibility of the State in giving effect to SPFs, and refers to a few basic principles to be followed: universality of protection based on solidarity, entitlements to benefits prescribed by law, adequacy and predictability, non-discrimination, inclusion of persons from the informal sector, respect of the rights already covered by social security guarantees, progressivity in implementation, solidarity in financing, transparency in management, financial sustainability, coherence with other social policies, quality of services provided, affordability of complaint procedures, regular monitoring, respect for collective bargaining, tripartite participation and consultation with organizations of persons concerned.

2

Based on the EU Commission staff working document SWD (2013)-38

- changes in family forms and structures (wider prevalence of single parents and families formed after divorce and re-marriage)
- the fast development of information and communication technologies (ICTs) bringing new jobs, new opportunities facilities and also risks of exclusion for those who do not have the appropriate skills or access.

The social impact of the economic crisis

The impact of the social crisis is seen in a growing inequality in the EU, as well as divergence among the regions. Other manifestations of the crisis have been jobless growth, casualization of employment and labour-market insecurity and poverty. Over the period 2008 to 2011, formal employment shrank by 2%; the average unemployment rate is now over 10%. By the end of 2012, 25 million Europeans were unemployed. But the unemployment rates of Northern and Western Europe and Eastern and Southern Europe show substantial divergence (7% versus 14.5% in 2011).³

A greater level of inequality directly stemming from the crisis can be seen in relation to some specific social groups -- youth (20% of the 15-24 age group were unemployed), immigrants, low-skilled workers, and some other groups. The recession reinforced the wage polarization that was already a tendency between 1998 and 2007.

The increase in poverty rates is another manifestation of the socio-economic crisis. Various indicators have been used to document it, as poverty has many roots. As the table below shows, the *percentage of the population at risk of poverty or exclusion (AROPE)*, a broader concept compared to income poverty, was declining before 2009 but started growing afterwards owing to the economic downturn :

2005	2006	2007	2008	2009	2010	2011
25.6 %	25.2 %	24.4 %	23.5 %	23.1 %	23.4 %	24.2 %

The percentage of the population at risk of poverty (AROP), with less than 60% of the median disposable income after social transfers, was stabilized until 2009, but resumed an increase afterwards:

2005	2006	2007	2008	2009	2010	2011
16.4	16.5	16.5	16.4	16.3	16.4	16.9

And the population falling under the rubric of "severely materially deprived" has increased from 9% in 2008 to 10% in 2011.

Between 2007 and 2009, automatic stabilizers and stimulus packages contributed to sustaining households incomes in most countries. Between 2009 and 2011, household incomes fell in a number of countries, especially where the recession was prolonged; this can be explained by the phasing out of discretionary measures or by the fact that people have lost their entitlements⁴.

3 Ibid.

4 Ibid.

Controversial social policy signposts

In the context of combating the risks of welfare dependency, "making work pay" is one of the key proclaimed social policy objectives in countries with large social-protection schemes. The appearance of this policy goal is clear given a growing number of "working poor" (see the ICSW seminar in Copenhagen, October 2012): 8.6% of the employed population earned less than 60% of the median income. The number of working poor has increased significantly in recent years in many countries of Europe, including the richest, such as Germany or Netherlands, owing to labour market reforms and/or economic recession.

The European single market has brought increased competition to bear, thus leading Europe to practice so called social dumping. The issuing of EU Commission directive 96/71 was meant to resolve the problem by ensuring that immigrant workers get the same treatment and the same conditions of work as workers of the host country. Owing to a lack of collective agreements in many instances and a growing number of informal and sometimes illegal situations, the outcomes have been deemed unacceptable. As a result, the EU Council has recently decided to significantly reinforce inspections aimed at improving transparency. Regarding the provision of social services, the adoption of appropriate regulations has not been easy.

In the region, the three key functions of social protection schemes are usually seen as: to protect people from hardship in case of contingencies, to be a stabilizing factor of economic cycles, and to help people to realize their potential. The EU leaders consider social protection as a social investment and are keen to promote this important role. According to the EU Commission, out of the 29% of total EU GDP devoted to social expenditures, only 7.5% are "investment oriented". Investing in child-oriented programmes is one key factor for improving the situation: given strong evidence of the importance of pre-school years, combating child poverty is the best way to break many of the social inequalities that arise during the life-course.

The recommendations adopted to plug existing gaps

In view of the current social situation in Europe and given what should be achieved according to ILO Recommendation 202, the following key issues could be considered as priorities:

1. Three dimensions underpin long-term policy in well-being. The spotlight has often been on economic development, but social cohesion and income distribution, as well as environmental protection, also need to be taken into account. The economic, social and ecological dimensions need to be considered together, if we are to move towards sustainable development.
2. The adoption of Recommendation 202 by all delegations at the International Labour Conference (not only by governments but by social partners as well), including the EU countries, is fully justified, given the existing social situation in Europe, especially in the wake of the socio-economic crisis, and because not all European citizens benefit from the social-protection schemes.
3. EU bodies must be asked to keep reminding EU members that they made commitments regarding SPFs that must be kept. The social protection floors constitute a set of guarantees that are defined nationally, with their content, level and funding depending on the authorities in each country. While social protection has been a "shared competency" since the Lisbon Treaty, the impact of the unified market and the Stability Pact has meant that the EU Council and the Commission have acquired greater powers in this area. However, these EU bodies tend to consider SPFs more as safety nets that redress the marginal imbalances of a mainstream market-based approach. The adoption of a lowest-common-denominator strategy is unacceptable. It should be borne in mind that the Treaty asserts that national, regional, and local authorities have the powers to organize and manage social services in line with their own social policies. The latter may draw on

principles of solidarity and involve not-for-profit organizations, rather than be based on market principles.

4. The establishment of national SPFs should not be impeded by EU policies that are dominated by excessively financial considerations, failing to take into account the major objectives of Agenda 2020 in terms of employment and the fight against poverty. SPFs need to rely on inclusive growth policy. The aim could be achieved by amending existing systems at the national level, making financial decisions that do not upset the global economic balance of any country. For some States, this could involve calling on European solidarity via institutional funds, both national and, if necessary, EU-based funds.

5. Notwithstanding the current crisis, social rights have been supported in the European Union at a high level over the decades. However, there has appeared a worrying phenomenon that should be not overlooked: rights are not claimed by some. Social benefits fraud, misuse of the system by service providers, and the loss of revenue through casual or non-declared work should be fought by tightly managing the system. However, little is said about services not reaching those who are entitled to them, despite the greater amounts of money involved. Through fear of stigma, discouragement in the face of the procedures or through ignorance, more and more Europeans have not accessed to their rights. We need to react! Too much "targeting", too many conditions and needless demands for proof end up corrupting even the best systems. The authorities need to draw closer to citizens, and social workers need to remain constantly in touch with them.

6. Universal social coverage is an essential element of the SPFs. Not all EU citizens have access to this yet, and some no longer have access: even the residual cost of treatment delays or prevents people from seeking professional help; in addition, there are cultural and language barriers. Certain areas within the EU are still 'medical deserts'. Health-care provision must form an element of regional development policies. Faced with social health-care inequality, we must maintain and strengthen solidarity mechanisms, either through services that really are open to all, or through mandatory social coverage.

7. The following main components of SPFs listed below relate to guaranteed income mechanisms:

- (a) Employment income no longer enables a large number of Europeans, even in the richest countries, to live decently. The phenomenon of the working poor is now well documented. Faced with this situation, there is no option but to advocate the adoption in each EU country of an inter-professional minimum wage, set according to local economic factors.
- (b) For persons of working age who cannot work owing to disability or unemployment, systems to guarantee a minimum income are also required. Restrictive conditions for unemployment benefits sometimes mean that a right may be lost, and benefits are more often provided as income insurance rather than as a minimum living allowance.
- (c) For senior citizens, if retirement incomes and health care are no longer sufficient to guarantee decent living standards, each country must establish and maintain an appropriate pension system. In addition, increased life expectancy means that it is now necessary to devise new long-term care services for the elderly.
- (d) For each member State, the European Union should set a guaranteed minimum income level that is half of the median income existing in each country.

8. The imperative of universal service provision is part of the basic SPF concept. However the quest for social cohesion must be proactive, aimed as a priority at vulnerable populations requiring social support.

- (a) One such example are so called NEETs (not educated, not employed and not trained), young people, especially school leavers, who have not yet found a job and who are not receiving training. These citizens need to be assisted when entering the world of work by means of systems, which, to some extent, have yet to be devised.

(b) Preschool education and child health care should also be considered as a major social investment.

(c) Migrants are another vulnerable population requiring social support.

(1) These provisions include EU citizens who benefit from the freedom of movement. Care must be taken to ensure that they do not become victims of social dumping, as is too often the case. As to Roma, promoting their social inclusion requires more than merely financial support.

(2) With respect to non-EU citizens, SPFs must be also applicable to them on a par with residents. However, they encounter a large number of barriers before they can really benefit from the social schemes to which they are entitled, and such barriers should be removed. As for illegal immigrants, who as such have no a priori rights to national systems, access to social protection may rely primarily on humanitarian considerations.

➤ **Useful resources and links**

2013 Human Development Report. The Rise of the South: Human Progress in a Diverse World

The South is developing at a pace unprecedented in human history, with hundreds of millions of people being lifted out of poverty in developing nations and billions more poised to join a new global middle class. The 2013 Human Development Report examines the profound shift in global dynamics driven by the fast-rising powers of the developing world – and its implications for human development. An updated Human Development Index (HDI) was also released in this edition of the Report. The HDI measures national progress in health, education and income. For more details please go to: <http://hdr.undp.org/en/2013-report>

Sustainable and Liveable Cities: Toward Ecological Civilization

The report explores the current urban transformation in China from the perspective of human development and primarily considers its impacts on the people of China. It takes a sweeping look at the urban transformation of the past few decades, and its drivers, impacts and growing challenges and the opportunities brought by urbanization in order to answer two main questions: how can we make China's cities more liveable, and how can we ensure that citizens better enjoy the potentials associated with urban growth?

For more details and download:

 [china_nhdr_2013_en_final.pdf](#)

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