

Public Welfare Reorganization in Canada I.

By HARRY M. CASSIDY

CANADA does not have a modern, efficient system of public welfare. In spite of considerable progress during the depression decade of the 1930's the Canadian services are weak and backward by contrast with those of Great Britain and the United States. In general, but with honourable exceptions, they are poorly organized, their administrative performance is mediocre, their personnel is weak, and they lack life and vitality.

The scope of the public welfare services is so broad as to make their inefficiency a matter of very serious public concern. In the latter years of the depression period they cost the taxpayers of the country about \$250,000,000 annually. This represented one-quarter of the total cost of government in Canada, or about five per cent of the total national income in such a year as 1937. There has been, of course, a great decline in public welfare costs since the beginning of the war, mainly on account of the curtailment of unemployment relief, but public welfare remains the most costly non-defense branch of government service.

The welfare services include all forms of relief or assistance to the needy (unemployment and poor relief, old age, blind, and mothers' pensions, war veterans' aid, medical care and hospitalization, etc.), child welfare services, mental hospitals and other mental hygiene services, and jails, penitentiaries and other delinquency services. Public dependents, supported wholly or in part by these services out of tax funds, numbered about 1,500,000 on the average during 1937, 1938, and 1939. In the first part of 1941, although relief for employable persons had virtually disappeared, there remained about half the depression load of dependency, consisting mainly of old age

pensioners, widows with dependent children, delinquents, institutional inmates, and other unemployable groups. It is apparent that even in a war-time period of full employment and withdrawal of men for military service the country has heavy welfare obligations.

In the midst of a terrific war problems of social welfare may not seem to be of great importance—although their relation to morale and to the total mobilization of a nation's war effort is far greater than is commonly recognized. But there can be no question about their paramount significance in the period of post-war reconstruction. For then there may be expected mass unemployment and agricultural depression, with their attendant problems of human need. Canada will be in no position to meet these problems which may well place a strain upon the Canadian social structure no less severe than that of war, unless it has a well-developed system of welfare services. Already, in the early 1930's, the country has had the experience of facing unprepared a serious unemployment relief crisis. Emergency measures to deal with this situation, while they prevented outright starvation, were so unsatisfactory that the relief problem played a major part in the constitutional crisis that led in 1937 to the appointment of the Rowell-Sirois Commission. With so much at stake, even to the continued existence of the Canadian federation, it is surely the part of wisdom for Canadians to give some thought to the prevention of post-war chaos on the social front.

I believe that an important contribution towards post-war social stability can be made in the field of the welfare services and that this is not at all incompatible with an all-out war effort. This contribution consists of the thoroughgoing overhaul and reorganization of the provincial and local welfare services. The provincial governments can undertake

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this task during the war without increasing appropriations and with or without the assistance of the Dominion. They are, indeed, in an unusually free position to turn to problems of administrative reform, for their activities are considerably curtailed at present on account of the centralization of political action incidental to the war. In the absence of reorganization, from top to bottom, the provincial and local welfare services cannot possibly assume with success the post-war obligations that are virtually certain to be thrust upon them. Therefore reorganization is the foremost problem of public welfare in Canada at the present time.

Principles of reorganization will be set forth in this and in a succeeding article. These proposals are based upon successful experience in the welfare field in various parts of Canada, in Great Britain, and in the United States, and also upon my own experience for nearly five years in developing and reorganizing the welfare services of one province, British Columbia.¹ It was my reluctant conclusion, as I left British Columbia at the beginning of 1939, that the province never would have an efficient and reasonably satisfactory program unless over-all reorganization of the whole system was undertaken. I believe that this holds true also of most of the other provinces.

Discussion in these articles will be limited to reorganization on the provincial and municipal levels of government. The reason is that the operation of the welfare services (although not their financing during the period of Dominion grants for unemployment relief) has been carried on mainly by the provinces and municipalities and that this will probably continue. During the 1930's there was much agitation for the transfer of social welfare obligations, both administrative and financial, from the provinces to the Dominion Government. The claim for transfer

of administrative responsibilities was not supported by two important commissions of inquiry that considered the question, the National Employment Commission and the Rowell-Sirois Commission, except in the case of unemployment relief. As it turned out the Dominion did not go so far in assuming further obligations as its advisors recommended. It seems fairly clear that the provinces and municipalities must expect to continue in the welfare business on a large scale, and that no argument about Ottawa being responsible should deter them from badly needed housecleaning, as it did in some measure during the depression decade. The Rowell-Sirois Commission, while it did not offer specific recommendations on this point (which was beyond its jurisdiction), recognized the serious weaknesses of the provincial and local welfare services, and urged the provinces to put them in order.

The organizational and administrative defects of the welfare system will only be outlined here. These have been discussed in some detail, although nowhere at all adequately, in various official reports and private publications.² The defects are of two main types, as follows:

1. *Unsatisfactory provincial-municipal relations*
 - a. Operating functions are in many provinces badly distributed between the provincial governments and municipalities, with the local authorities doing jobs, such as juvenile probation work and medical care, which the provinces might do better.
 - b. Financial arrangements are typically unsatisfactory, with uneven obligations upon the municipalities such that the poorer communities are likely to be over-burdened by welfare charges.
 - c. The great majority of the 3600 municipalities in Canada are far too small in population to constitute satisfactory units of welfare administration.

(2) *Vide* particularly *Report of the Royal Commission on Dominion-Provincial Relations* (1940) and special studies by the staff of the Commission, notably *Public Assistance and Social Insurance*, and *Public Health*, by A. E. Grauer; *Report of the Royal Commission on Penitentiaries* (1938); *Final Report of the National Employment Commission* (1938); L. C. Marsh et al *Health and Unemployment* (1938); *Canada's Unemployment Problems* (ed. Richter), 1939; Margaret K. Strong, *Public Welfare Administration in Canada* (1930); and, by the writer, *Unemployment and Relief in Ontario, 1929-1932* (1932); "Public Welfare Organization in Canada," *Social Service Review*, Dec., 1938, and "Reconditioning the Social Services," three articles in *The Financial Post*, Toronto, Oct. 18 and 25, and Nov. 1, 1941.

(1) As Director of Social Welfare for the provincial government, which involved jurisdiction over the major health and welfare services operated by the Province, apart from unemployment relief.

- d. There is a serious lack of coordination between provincially and municipally operated services and between those of the various local authorities throughout the country, which generates waste, inefficiency, and injustice, notably in the case of "transients" or "non-residents."
 - e. Provincial regulation and supervision is very slight, so that standards of service vary greatly from one community to another.
2. *Poor administrative machinery*
- a. The closely related welfare services are not properly integrated in provincial departments, usually being scattered among three or more departments of government.
 - b. Within the government departments concerned with public welfare there is typically poor internal organization, the various bureaus and divisions often being semi-autonomous and uncoordinated with related agencies in the same department.
 - c. Municipal administrative machinery, except in a few cities, is poorly developed
 - d. In no province is there a settled policy of recruiting and developing professionally trained staff and of making appointments on a merit basis, so that properly trained and qualified personnel fill only a small proportion of the provincial and local public welfare jobs in Canada.

To state categorically these organizational and administrative weaknesses of the Canadian public welfare system is to explain the generally low quality of service which it offers to clients and the inadequate return it gives to the taxpayers for the millions that they lavish upon it. There are good officials in the employ of Canadian public welfare agencies and there are good provincial bureaus and local departments. But no single agency and no single person, no matter how competent and conscientious, can possibly render satisfactory service when the broad administrative setting within which operations must be conducted is so unsatisfactory as it is typically in the Canadian provinces.

In every province the first step to be taken to remedy the situation should be a thorough survey of the welfare system, as the Rowell-Sirois Commission proposed.³ This would provide the

(3) It is a commentary upon the general lack of interest in a broad approach to organization and administration that only in two provinces, Ontario and Quebec, were there official surveys of the welfare services during the 1930's. In consequence there is a great lack of published information regarding public welfare administration throughout the country.

factual basis indispensable for a reorganization plan suitable for each province. These plans would no doubt vary considerably from province to province on account of the peculiarities, historical, economic, sociological, and administrative, of each situation. No standard scheme can be constructed that will be suitable for all the provinces. But experience in Canada, in Great Britain, and in the United States shows pretty clearly certain broad lines of policy that should be followed. These will be outlined below and in a succeeding article in the form of six principles.

1. *Operating functions should be redistributed between the provincial governments and the municipalities in accordance with their respective administrative and financial capacities.*

This proposal brings immediately to the fore the question as to why there should be any municipal administration of welfare services whatsoever. Since the days of complete local responsibility for all forms of relief to the poor there has been a progressive transfer of functions to the provincial governments, including the care of delinquents and mental patients, relief to the aged and widows with children, and some forms of relief to the unemployed. Why should there not be a clean sweep, with complete departure from the old poor law principle of local responsibility?

Provincial operation of all welfare services would undoubtedly offer some important advantages. It would ensure substantial uniformity of policy and procedure in all parts of a province. It would permit the organization of local district offices without reference to municipal boundaries that are often irrelevant for welfare administration. It would make unnecessary the complex supervisory and financial relationships that are required for a good local system under provincial control. It would do away with the need for local residence rules and the problem of the persons with provincial but without local residence. It would give the welfare system one set of political masters in each community,

the provincial legislature, rather than two, as under a provincial-local system, the legislature and the municipal council. It would lessen the possibility of quarrels and non-cooperation between provincial and local officials, political and administrative. In a word, it would make possible a relatively simple administrative structure, promising economical and uniform operation of the welfare services.

On the other hand, there are substantial arguments for local administration of a portion of the welfare system under provincial standards and supervision. The existing pattern of organization for a large part of the welfare field is fitted to the municipal system, and to tear up this pattern completely might involve a lot of rebuilding that is unnecessary. Coordination of welfare with related functions of local government, such as public health, education, housing, and public works, may be obtained more easily if all of these branches are subject to the orders of the same municipal council. Local administration permits and encourages some variation in policies and procedures from place to place, so that these can most easily be adapted to differing circumstances. Decentralized administration permits the making of decisions locally without the bureaucratic delays so frequently associated with remote control. Apart from these technical considerations there is a substantial body of public opinion, and some expert opinion, which sees important democratic values in local administration. This point of view is based in part on the conviction that locally administered services are more likely than provincial services to obtain cooperation, assistance, and support from individual citizens, and in part on the conviction that local government must be strengthened, not weakened, if the democratic system is to survive.

These arguments on either side, and others that might be offered, will deserve different weight in different provinces, depending upon the circumstances. In Prince Edward Island, for example, with its limited area and small population,

the case for provincial operation of all services is strong. In Saskatchewan, so long as there are great uncertainties about the financial stability of many municipalities, a strong case for it can also be made. But in most of the provinces I believe that the argument for local operation of the basic public assistance services is the better, provided that this is accompanied by provincial standards, supervision, and financial aid in the manner suggested in the next article. Through this joint provincial-local approach much may be done to gain the advantages of both the provincial and the local systems.

Clearly general assistance, or poor relief, is the service most suitable for local operation. If local standards of administration for this service are built up sufficiently, there will be a good case for transferring to the municipal welfare departments responsibility for operating the mothers' allowances and old age pension schemes now handled by the provinces. For this will bring about integration, on the operating level, of all the public assistance services under provincial-local auspices. This is the logical, if not the necessary, sequel to a decision to have general relief handled by the local authorities. On the other hand, there is in most of the provinces a good case for transferring to the provinces such specialized services as medical care and probation,⁴ which only a few local authorities are large enough to operate efficiently.

2. *The provinces should delegate administrative responsibilities only to local units that are suitable, in population, in area, and in other characteristics, for the efficient performance of operating functions.*

Application of this principle would limit greatly the number of local welfare units in every province. If the local authorities are to administer all forms of public assistance (general relief, mothers' allowances, and old age pensions) it is possible that units with a population

(4) A provincial juvenile court and probation system for British Columbia was proposed by the Advisory Committee on Juvenile Delinquency appointed by the provincial government in 1936. Ontario has seen the need for a provincial system of medical care for unemployment relief recipients.

as small as 5,000 may be permissible. If, on the other hand, they are to handle only general relief it is very doubtful whether any smaller than 10,000 in population should be permitted. For otherwise case loads would be too small to permit the employment of professionally qualified social workers on a full-time basis and to justify the establishment of a properly equipped local office. Smaller communities might be authorized by law to join voluntarily with others to form welfare districts having a population in excess of the minimum to be permitted. Where such arrangements were not worked out, it would be appropriate for the provincial welfare department to perform administrative functions, at the same time charging against the local authorities the same share of costs as if they were running their own services. This latter policy would be necessary to prevent small municipalities from gaining a financial advantage over larger places.

It may also be desirable to make provision for metropolitan welfare districts to serve the urban areas clustered about the larger cities.

Significant precedents for both of these proposals may be found in the public health field. In Quebec, Nova Scotia and other provinces rural health units have been established to serve the citizens of several municipalities; while since 1936 the Vancouver Metropolitan Health Board has served the city of Vancouver and a number of its satellite communities.

In the next article four additional principles of reorganization will be proposed. These deal with equitable adjustment of provincial-municipal financial responsibilities, revision of provincial administrative machinery the setting of standards and the supervision of local agencies by the provincial governments, and the modernizing of the local welfare departments.

A Focus for Urban Planning

By MELVILLE C. BRANCH, JR.

IT was not so many years ago that the term planning was none too well received in the parlors of public opinion. Some were convinced that this planning implied autocratic controls incompatible with our tradition of rugged individualism. Some were so content with their own lot that they forgot to look beyond their own particular lot lines. Although few understood what planning actually meant, almost all joined in slamming the door of disapproval in the face of this suspicious stranger.

To-day, we find a different picture. There is now almost a quizzical smile of welcome as the idea of planning for our cities and towns is introduced. This

pendulum swing has resulted from two developments—the accumulation and aggravation of serious problems of a planning nature within North American cities and towns, and the disruption of communities by the gargantuan defence expansion now under way.

We are fast becoming aware of the serious problems of our cities, and are finding ourselves face to face with urban difficulties which cannot be ignored or continually postponed. We are feeling the effects and the pinch of maladjustments which have been steadily growing worse over a period of years. Our cities are faced with rapidly increasing debt, with transportation confusion and inefficiency, with a serious lack of adequate terminal facilities, overlapping governmental jurisdictions, a municipal tax base badly in need of study and revision,

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