

# Community Dispatch

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## CANADA VOTES 2004 – CANADA SOCIAL TRANSFER

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### ISSUE 3: CANADA SOCIAL TRANSFER

How we support social programs is a question of deep concern to Canadians. We often identify our social policies as a defining feature of this country, and recent polls record that a majority of Canadians put health care and education at the top of the funding priority list.

On April 1, 2004 federal contributions to health, post-secondary education, and social services were divided into two separate transfers: the Canada Health Transfer and the Canada Social Transfer. This funding was formerly delivered through a single tool – the Canada Health and Social Transfer (CHST).

While significant thought has gone into the new Health Transfer, relatively little attention has been paid to the Social Transfer. As the tool for delivering federal support to post-secondary education, income assistance (welfare), child care, and other social initiatives, it is crucial for Canadians to know more about this investment. Here are some key issues:

- **Accountability and transparency:** Block grants like the CHST make it hard to track where money is going. Part of the rationale for a separate Health Transfer is to increase accountability and transparency in health spending. The same argument applies to the Social Transfer. It makes sense to create separate accounts within this fund for post-secondary education, income assistance, child care, and so on.

- **Income assistance:** Under the CHST, funding for income assistance declined sharply. One result is that welfare incomes have fallen for recipients in virtually all jurisdictions, contributing to high rates of poverty and homelessness. The Social Transfer should preserve

a place for income assistance on Canada's social landscape by promoting adequate benefit levels, ensuring appropriate access to benefits and guaranteeing comparability between provinces.

- **Child Care:** Research repeatedly shows that early learning opportunities yield positive outcomes for children, women, families, labour markets, and communities. Despite this evidence, Canada has yet to take comprehensive action to support child care. The Social Transfer should be a starting point for building provincial support for investment in this area.

#### Issues:

- Federal funding for social policy is being divided into the Canada Health Transfer and the Canada Social Transfer.
- Although social programs are a clear priority for Canadians, the Social Transfer remains largely undefined.
- The Social Transfer is a key tool for ensuring appropriate investment in important social issues like poverty and child care.

#### Questions for Candidates:

- How will your party identify priorities for the Canada Social Transfer?
- How will your party work with provincial governments to ensure that comprehensive and comparable action is taken on important social issues like poverty and child care?
- What level of funding will your party commit to the Canada Social Transfer over the next decade?

**To find out more:**

- Federal-provincial transfers:  
[www.fin.gc.ca/budget03/booklets/bkheae.htm](http://www.fin.gc.ca/budget03/booklets/bkheae.htm)
- Canadian Council on Social Development:  
[www.ccsd.ca](http://www.ccsd.ca)
- Campaign 2000: [www.campaign2000.ca](http://www.campaign2000.ca)
- Child Care Advocacy Assoc.:  
[www.childcareadvocacy.ca](http://www.childcareadvocacy.ca)



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