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OPINION EDITORIAL
BY JAMES MULVALE

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MOST ECONOMICALLY
VULNERABLE AND
SOCIALY MARGINALIZED
MANITOBANS IN POVERTY.

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AUSTERITY AND INCOME ASSISTANCE



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By James Mulvale

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The effects of austerity measures of the previous Conservative provincial government in Manitoba were very visible in sectors such as health care and education. Virtually all Manitobans have some first-hand experience with these public services.

Less well known are the effects of austerity on Manitobans who depend upon the Employment and Income Assistance (EIA) program that supports those with no

other means of income support — including single parents, people with disabilities, and single persons.

Under the previous Conservative government, funding for EIA and disability support declined (in inflation-adjusted dollars) from \$530 million in 2018-19 to \$445 million in 2021-22. Spending in these areas (calculated as per capita spending based on the provincial population) fell by nine per cent from 2017-18 to 2021-22, despite the onset of a global pandemic.

Public sector workers delivering EIA and additional supports to people with disabilities have seen the real-life effects of provincial government austerity on those whom they serve, as well as on themselves. Staff morale reached rock bottom as a result of wage freezes, staffing reductions, and high vacancy rates. A recent survey of 77 EIA and disability support workers in the public service and in contracted community agencies captured these disturbing outcomes.

More than 80 per cent of the survey respondents reported “a reduction in the quality of service” to clients. More than 90 per cent also reported “worse working conditions and job satisfaction” for themselves as workers, including very significant mental health strains. The destructive impacts of austerity included clients sinking more deeply into poverty and being forced into downward spirals; the inability to recruit and retain qualified staff people for the delivery of EIA and disability support; and declining efficiency due to overwhelming paperwork and making rushed decisions that might later be reversed.

Privatization was on the agenda of the previous Manitoba government. Over 70 per cent of survey respondents disagreed with the idea of privatizing EIA income and disability support. As one respondent put it, “compassion is required, not a pure business approach.” Workers predicted a range of bad outcomes if EIA were privatized, including the premature closure of files to save money and enhance profits; further increases in caseloads to the detriment of service quality; hiring less skilled workers; and loss of accountability for how EIA and disability funds are being spent by contractors.

One survey question asked respondents if the current EIA model is well suited to meeting the needs of service users. Two-thirds of respondents indicated that the model needs a “fundamental overhaul.”

Workers offered numerous insights into how EIA and disability support can be enhanced, including the provision of specialized supports such as ASL and psychological counselling. Respondents also referred to the abysmally low base benefit levels paid by the program, which are far below Canada's official poverty line. EIA payments only reach 42 per cent of the poverty line for single people considered employable, 58 per cent for single people with a disability, 76 per cent for a single parent with one child, and 70 per cent for a couple with two children.

EIA is trapping the most economically vulnerable and socially marginalized Manitobans in poverty and misery.

Make Poverty History Manitoba calls for transforming EIA into a “livable basic needs benefit ... as part of a comprehensive poverty reduction plan.” This would be a first step in leadership by Manitoba's NDP government — working in concert with their federal and provincial/territorial counterparts — to rebuild Canada's inadequate income security system. Such a transformation could be built on the principles of basic income, that economic security must be guaranteed for all unconditionally and without stigma.

Steps have already been taken in this direction. Provincially, Manitoba has had Rent Assist in place for many years, which provides financial help with housing for those on EIA and working poor people. Federally, the current government has improved the Canada Child Benefit and the Canada Workers' Benefit. Promising additional measures are currently under discussion, including a Canada Disability Benefit and MP Leah Gazan's private member's Bill C-223 to develop a blueprint for a national basic income.

A model of income and social support that is unconditional and adequate would free public sector workers to be creative helpers and advocates, rather than gatekeepers and rule enforcers. In its upcoming provincial budget, the Manitoba NDP government can signal its intention to significantly improve our provincial income security and disability support programs and to act as a catalyst for a national conversation on ensuring economic security for everyone in Canada from coast to coast to coast.

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