#### **SECTOR PROFILE**

## **Social Services**

This profile is intended to provide CUPE members with basic information about the sector they work in from a national perspective. Find all our sector profiles and more information online at cupe.ca NATIONAL SECTOR COUNCIL CONFERENCE



CUPE members in the social services sector provide a range of services and supports to vulnerable and often marginalized people. CUPE members working in the sector do a wide variety of work, including: assisting women and children fleeing domestic violence; working with adults with developmental disabilities; protecting children from harm and neglect; providing employment counselling; administering social assistance; staffing shelters; and providing education about HIV and AIDS. Our members work for employers ranging from small non-profit community agencies to large social assistance programs and municipalities.

CUPE works collaboratively with the people we serve, their families, and the organizations that support them, to improve services and increase funding. Approximately 85 per cent of workers in the social services sector are women. An increasing amount of work is being pushed to temporary, contract, casual, or part-time positions.

CUPE is the second-largest union in the social services sector, representing approximately 27 per cent of all unionized social services workers. The largest union in the sector is the National Union of Public and General Employees, representing about 34 per cent of unionized workers.

#### BY THE NUMBERS

CUPE represents 46,156 social services workers in over 500 bargaining units across Canada.

In addition, we have members in larger locals that overlap with several other sectors such as municipal, school board and health sectors. For example, workers in Ontario who provide social assistance are employed by municipalities.

#### **FUNDING AND GOVERNANCE**

More than a decade of government funding cuts have made social services vulnerable to a variety of methods of privatization.

Federal and provincial governments have opened the door to the latest form of privatization, the social impact bond (SIB). SIBs are a market-driven investment approach that allows the private sector to profit from social service delivery. Under this model, private investors invest money in a social services organization towards achieving certain targets. Targets are often defined in narrow and simplistic ways to make an investment seem attractive. When program targets are met, the government pays the investors a return, creating a profit of five to 30 per cent for the investors. In this model, governments outsource control of financing, service delivery and follow-up evaluation to the private sector.

Independent research has shown that SIBs or payfor-success bonds have failed. Investors want to make a profit, not tackle the root causes of systemic issues. After paying multiple consultants and providing investors with their returns, there are no public sector "savings" to be found. The process from beginning to end is not democratically accountable or transparent.

Experts have called this a new "social economy market" that has been based on public-private partnerships (P3s), another failed privatization strategy.



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SIBs are being considered in British Columbia, Nova Scotia, Quebec and New Brunswick in areas such as prisoner rehabilitation and youth apprehensions, asthma reduction, homelessness services, and services for Indigenous people. Two SIB pilot projects are underway in Ontario, providing services for at-risk youth and housing services for vulnerable individuals. Saskatchewan already has one SIB, a home for single mothers and their children, and is exploring additional projects. Manitoba has officially launched an open call for SIB project ideas. The federal government is also involved in two SIBs in the areas of health and skills training. Sixty per cent of the SIB funding is expected to be spent on overhead and profits rather than service delivery.

The federal government signalled its support for SIBs by creating a Social Innovation and Social Finance Strategy Steering Group in early 2018. The Steering Group's recommendations, if adopted by the government, will support SIBs by dedicating resources, formal capacity and legitimacy to social finance projects. This will divert public revenue towards private profit and worsen the funding crisis in social services.

Individualized funding, or "vouchers," for clients is another form of privatization that negatively impacts social services. Governments give financial resources directly to parents, families or individuals so they can purchase social services and supports. In Ontario, for example, people with developmental disabilities or their families receive some funding to purchase services and supports. Though framed as providing choice to families, this practice is in reality a piecemeal approach that weakens the overall system by fragmenting services, eroding working conditions and wages, and continuing the chronic underfunding in the sector. It does nothing to ensure that needed services are actually available and accessible, while promoting the development of private for-profit services.

Another model being promoted is competitive bidding, which opens the door to privatization by imposing a market model on community social services agencies. In Alberta, the former Conservative government introduced funding for preventative social services programs through a competitive bidding process in which agency applications are reviewed and ranked based on guidelines and an assessment of community needs. This process pits non-profit community agencies against one another and against private operators for scarce funding resources, staff and volunteers.

### **Bargaining**

CUPE's social services sector has a mix of local, coordinated and central bargaining. Local bargaining is the sole form in New Brunswick, Prince Edward Island, Manitoba and Alberta, while some locals in Nova Scotia, Newfoundland and Labrador, Ontario and Saskatchewan have forms of coordinated bargaining. Central bargaining exists in BC, Quebec and Ontario.

In BC, Nova Scotia and Ontario, legislative attacks on collective bargaining and interest arbitration have created challenges in the sector. Attacks on workers' rights, such as legislated wage freezes, back-to-work legislation, forced arbitration and expansive definitions of essential services have created a difficult collective bargaining environment.

Members in some sub-sectors have made gains in negotiating collective agreement language on workload. For example, many locals in Ontario's child welfare sector now have comprehensive language on workload, achieved through coordinated bargaining.

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### **Pensions**

Members in the social services sector have a variety of pension arrangements: municipal pension plans (BC community social service workers and Ontario municipal and Children's Aid Societies workers); large pension plans (Healthcare of Ontario Pension Plan); the Multi-Sector Pension Plan (MSPP); and Group Registered Retirement Savings Plans. Over 75 per cent of social service locals have a pension plan; over half of those are defined benefit plans.

CUPE has been extremely successful at introducing the MSPP in many smaller social services workplaces. In Ontario, for example, through coordinated bargaining, members in 86 per cent of developmental services bargaining units now participate in the MSPP. Many workers in the social services sector, however, still do not have any pension arrangements.

## Mobilizing our members

CUPE's lobbying, strong connections with allies and on-the-ground mobilizing have led to significant gains for workers in the social services sector.

On June 2018, BC's community social services members were able to bargain many improvements, including fair wages, funding for low wage redress to deal with recruitment and retention issues in the sector, strong improvements to health and safety, and improved benefits. These increases would not have happened without ongoing and concerted pressure from CUPE members.

In Ontario, severe and persistent underfunding of social services has caused workload issues, increased risk of violence in the workplace due to lack of proper staffing, overwork and burnout. Further voucher-based privatization or service integration and restructuring could intensify each of these issues and impact service delivery. The Ontario Conservative government has indicated that it will reduce social assistance rates and restructure social assistance delivery, in addition to cutting at least \$6 billion in public sector spending overall. Through coordinated bargaining, mobilizing members to participate in coalitions and advocacy campaigns, and undertaking political action, workers in Ontario are preparing to defend social services.

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- More information for your sector
- Tools to help you and your local
- Success stories from across the country
- And more!

