

Social Justice and the Economic Crisis: The Austerity Agenda Targets the Disabled

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The recent Ontario provincial budget did not do very much to uphold [Kathleen Wynne](#)'s claim to the title of 'Social Justice Premier.' Most of those on social assistance received an increase in their benefits that was below the rate of inflation while no increase whatsoever was provided to those subsisting on the minimum wage. Modest improvements in the amount of part time earnings and assets that can be kept without having them clawed back will not come close to preventing those on Ontario Works (OW) and the Ontario Disability Support Program (ODSP) from falling even deeper into poverty this year. The utter absurdity of the Liberal assertion that they have shown any commitment to 'poverty reduction' can be seen in the fact that single people on OW are living on benefits that have lost 56 per cent of their spending power since 1993. Even those on ODSP, who were not subject to the [Mike Harris](#) 21.6 per cent benefit cut in 1995, are at an income level that is 22 per cent below where it was twenty years ago.

Liberal Finance Minister, Charles Sousa, asserted that, during the decade his Party has held power in this Province, social assistance rates have increased by 15 per cent. Given the rise in the cost of living during those years, Sousa's comment is a de facto admission that people are significantly poorer now than they were when the Tories left office.



Anti-poverty activists take shelter in City Hall. [\[John Bonnar\]](#)

Still, it is apparent that the Wynne Liberals are only in the opening stages of a process of regressive welfare redesign and that their biggest attacks lie ahead. The blueprint they will use in developing this strategy is last year's, [Brighter Prospects](#), the Report of the Commission for the Review of Social Assistance in Ontario. This study of the system was undertaken by Frances Lankin and Munir Sheikh and it charts a course for a thoroughly regressive remodelling of social assistance in line with the needs of the prevailing international agenda of austerity. The Ontario Coalition Against Poverty's (OCAP) analysis of this document was entitled "[Brighter Prospects for Cheap Labour](#)" which speaks to its essential thrust. It charts a course for dismantling ODSP, by downloading the Program to the

municipal level of government, reassessing those who have already qualified for disabled benefits and reorganizing the means of obtaining these benefits in such a way that disabled people will be forced to compete for the lowest paying jobs on offer. I'll return to the situation in Ontario shortly but, first, I want place it in the context of the long standing attack on income support programs and the emerging international strategy to attack disability benefits in particular.

Welfare and Wages

The attack on income support has been central to the process of imposing austerity on working-class populations because of the connection between the adequacy of such programs and the bargaining power of employed workers and unions. From Marx's concept of an 'industrial reserve army' to the notion that economists like Milton Friedman have put forward of a 'natural rate' of unemployment, it has long been understood that the level of joblessness is of great importance in determining the balance of forces between employers and workers. However, it is not just a question of how many are out of work. The degree of desperation among the unemployed and the level of intimidation affecting those still employed are greatly influenced by the adequacy or otherwise of income support systems. In fact, subject only to limits that may be set by social dislocation or organized resistance, the interests of employers are best served when unemployment is totally 'natural' and synonymous with outright destitution.

The process of undermining income support, in this Province and throughout Canada, has spanned decades and taken a massive toll. Unemployment insurance has been reduced to the point where only a minority of the jobless even qualify for it. 74 per cent of Canada's unemployed qualified in 1990 but, by 2004, this level had fallen to 35 per cent.^[1] Uniform national standards for provincial social assistance programs were destroyed in 1993 with the elimination of the Canada Assistance Plan. The spending power of social assistance payments in all provinces has been driven down massively. Supplementary programs have been gutted and rules tightened considerably to make it harder to obtain assistance and to retain benefits once qualifying for them. When the Ontario Tories came to power, in 1995, the system of providing a separate and relatively secure benefit to single parents, established in the 1920s as 'mother's allowance,' was eliminated and never restored. All of this has forced people into a low wage sector that has expanded considerably.

Today in Ontario, very much as part of an international trend, the next great step in the process of smashing income support systems has been recognized by political leaders and policy makers as a drive to fundamentally undermine benefit systems for the disabled. In this regard, the David Cameron Government in the UK is on the cutting edge of the attack.

Cuts in UK and U.S.

A vast array of austerity measures has been introduced by the British Government and many of these impact poor and disabled people. These have included the merging of jobless and disabled benefits and a huge, privatized effort to reassess disability claims so as to rob people of their benefits en masse. A September 26, 2012 article in the [British Daily Record reported](#) that the Department of Work and Pensions had admitted that, of those who had by then been cut off disabled benefits, 55 per cent were without work or income, 30 per cent were existing on the jobseekers allowance and a mere 15 per cent were employed. As this unfolds, one [British Tory MP has openly called](#) for the introduction of a sub minimum wage for the disabled.

The sheer viciousness of the way the British Government has hounded disabled people can be found in another [British media report](#) dealing with people in Scotland living with Motor Neurone Disease (MND). This neurological condition causes loss of ability to walk, speak or even breathe without assistive devices and it leads to death, usually within fourteen months. However, the British Department of Work and Pensions has determined that 'terminal illness' will only be defined as conditions that will claim your life within a six month period. If you are expected to live longer than that, you will be required to take 'fitness to work' tests and be subject to the infamous '[bedroom tax](#)' imposed on April 1 of this year. This has meant MND sufferers have been cut off benefits and lost their housing.

Similar attacks are now being developed in the United States and a glance at media coverage there shows that a veritable campaign is underway to ensure disabled people are targeted. As early as February 12 of last year, we find an online article with [Business Insider](#) entitled "The unemployed are now going on disability and it's costing the Government billions." The idea being put forward is that a stagnant U.S. economy is creating a lot of long term jobless and many of them are avoiding precarious welfare programs by registering claims for disability with an overly lax system. They are not, it is asserted, really disabled but a population of hidden unemployed who need to be flushed out from their dishonest place of refuge and comfort.

Liberal's Plans in Ontario

This is the context in which the Liberals are planning major changes to social assistance in this Province. They have now held power for a decade and, during this time, have allowed poverty to intensify. In the last period, they have fully embraced the austerity agenda and have begun to fashion their own version of it here in Ontario as their recent Budget demonstrates.

Given this Government's track record and the directions being taken in the UK that I have described, it is an appalling miscalculation to see something positive in the above mentioned Lankin/Sheikh Report. This document does not press for income adequacy for people on ODSP and for barriers to accessing the program to be removed. Rather, it is all about creating a system of disability benefits that judges everything by standards of 'employability' with a maximum drive to low waged work as its dominant consideration. They go so far as to advocate the setting up of 'employer's councils' to assist in the process.

The next period will be one in which there will be a serious need for communities to take action against the impending attack on ODSP and the disabled as part of a broader assault on income support. However, a barrier to such urgently needed action exists in the form of a political perspective that has come to be known as 'constructive engagement.' A network of social agencies and other organizations has, over a long period, developed a co-operative and consultative relationship with the Liberal Government. In the face of all evidence to the contrary, they insist that the Liberals can be convinced, through education and discussion, to embark on a course of progressive social assistance reform and 'poverty reduction.'

In the specific context of Wynne's recent austerity budget, this perspective of positively reinforcing rather than challenging the Liberals has become an even more serious political problem as we can see from a number of reactions to this budget. The [Daily Bread Food Bank issued a statement](#) that begins, "Measures announced today in the 2013 budget are important steps to help move Ontario forward in transforming social assistance." The [25 in 5 Poverty Reduction Network put out a press release](#) that claims, "this budget puts money in

the pockets of low-income Ontarians and starts the process of social assistance reform that will create greater security and opportunity for low-income Ontarians.”

The *Toronto Star* has played the leading media role in promoting the views of the constructive engagement initiative. Obviously, respectable lobbying, as opposed to community mobilization, is exactly what the liberal *Star* wants to focus on and promote. So, we see a [column from Martin Reg Cohn](#), in the wake of the budget, driving home the message that progressive welfare reform is on track. Entitled “Good news on the poverty front in Kathleen Wynne’s first budget,” the column speaks of “several surprisingly robust improvements to Ontario’s current welfare mess.” These are, however, only ‘the low hanging fruit’ and, for the bigger things to come, Cohn points to the ‘landmark’ Lankin/Sheikh Report. The *Star*, characterizes a budget that makes people poorer as a bold step forward and presents the regressive blueprint that the government is working from as a pathway to major improvements for those in poverty.

As part of the Budget, the Liberals announced that they would be establishing a special committee of Cabinet to take forward implementation of the Lankin/Sheikh Report. Doubtless, there will be yet more ‘stakeholder’ meetings and consultations, many of them handled personally by Wynne’s new ‘progressive’ Minister of Community and Social Services, Ted McMeekin. They will be a trap designed to provide legitimacy and, as much as possible, divert potential challenges to the government into safe channels. This demobilization strategy must be overcome. Last year, when the Liberals announced plans to eliminate the vital Community Start Up and Maintenance Benefit (CSUMB) for people on social assistance, OCAP was able to link up with unions, First Nations communities and local anti poverty organizations, through the Raise the Rates Campaign, and organize resistance to the cut across Ontario. Even though community action was not able to prevent the downloading of the program onto local governments, the restoration of \$42-million of the \$60-million cut was achieved. It was a fragile and partial victory but an important one, nonetheless.

Communities Fight Back

“The Raise the Rates Campaign, which we have been able to build up with the serious support of CUPE-Ontario, creates a model of poor communities fighting back as part of a broader working-class common front. ”

The [Raise the Rates Campaign](#), which we have been able to build up with the serious support of the Canadian Union of Public Employees (CUPE-Ontario), creates a model of poor communities fighting back as part of a broader working-class common front. It is just such a movement that will have to be developed on a bigger scale if we are to turn back the attack on disability benefits in this province. This year, in Toronto, we found ourselves fighting desperately but with some success to force the City to expand shelter facilities for the homeless in the face of a lethal crisis of overcrowding. As this struggle unfolded, it struck us that the austerity agenda had reached the point where it was prepared to abandon people to death on the streets.

Now, again, when we look at the threat to ODSP, we see another indication of the nature of austerity. The [Elizabethan Poor Laws](#) (1601) were careful to make a distinction between the ‘deserving’ and ‘undeserving’ poor. It was grudgingly recognized that a disabled person should at least be entitled to a slightly blunted and more stabilized form of poverty. Today’s

austerity agenda, however, has no time for any limits set by the Tudors. Disabled benefits are in the way of their developing plans. If the adequacy and relative security of those benefits can be eliminated, then the result will be an influx of people competing for the worst and most precarious jobs available.

Ontario's Workplace Safety and Insurance Board (WSIB) is, in fact, already creating this model for injured workers. They are being assessed by private companies and the Board has adopted the widespread practice of 'deeming' injured workers capable of performing particular jobs regardless of the practical prospects of such employment being obtained. From the example of the measures taken in the UK, we can see that the approach is to act quite recklessly and err on the side of denying benefits to those without real prospects of finding low waged work. Certainly, straight cost savings on social expenditures are part of what drives this agenda so the Cameron Government sees no reason for caution. If ODSP were successfully downloaded onto the municipalities, we can be sure that UK style cut offs of the disabled would occur on a widespread basis in Ontario.

The Tory Social Services Critic, Toby Barrett, has already tabled a Private Members Bill in the Legislature for the merging of OW and ODSP and, obviously, there is no doubt that a Hudak Government would intensify the attack on this and many other fronts. It is, however, a profound mistake to believe that Ted McMeekin's readiness to show up for consultation meetings looking interested offers any kind of protection. The attack on disabled benefit systems has become an important feature of the strategy to impose austerity on working-class populations. The Ontario Liberals will not fail to comply with the needs of that agenda unless they face an opposition that forces them to do otherwise. The challenge for us is to mobilize that opposition, led by disabled and poor people, so as to defend ODSP as part of a broader fight for the right to decent income and living wages for all. •

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