

### CCPA Nova Scotia

#### Winter 2008

# OUTLOOK

The Canadian Centre for Policy Alternatives - Nova Scotia Raising debate • Creating policy alternatives

### Good crowd for CCPA NS sponsored event featuring

Linda McQuaig

On February 21, the Canadian Centre for Policy Alternatives-Nova Scotia hosted bestselling author and journalist Linda McQuaig. Linda joined CCPA members for a reception, where she graciously mingled with us. She then gave a public talk to a very good crowd of people at Dalhousie University. Her talk focused largely on

Canada-US relations and promoting her newest book Holding the Bully's Coat: Canada and the U.S. Empire. In this book, Linda McQuaig argues that in its attempts to please our powerful neighbor (the bully), Ottawa has abandoned Canada's traditional peacekeeper role in favour of a more combative stance, battling insurgents in Afghanistan as a junior partner in George W. Bush's "war on terror." According to her, this new, more aggressive role for Canada -- championed by many in our corporate and military elite - is sharply at odds with the sense of identity held by most Canadians. Her talk was very well received with a standing ovation.



CCPA NS Director Christine Saulnier (left) and journalist and guest speaker Linda McQuaig (right)

Mark your calendars for the CCPA - NS AGM April 26th, 1 pm - 2:30 pm at the North Branch Lilbrary, Gottingen St., Halifax

After our AGM, we will have a presentation from Manitoba CCPA Research Associate Jim Silver on his new publication on social housing "Public Housing Risks and Alternatives - the Case of Halifax's Uniake Square". Members and non-members are all welcome

#### **CCPA-NS: A new director**

Recent months have been busy as we worked to find a new provincial director to take over from John Jacobs, who is pursuing his PhD at Carleton. While we were sad to see John leave, we are excited that he is pursuing this opportunity.

We struck a hiring committee to discuss the job description and time lines. In our discussions it became overwhelmingly apparent that John did so much. With John at the helm, we have made some significant progress since we started the office in 1999.

We are a credible progressive research organization and have a good media presence. We do influence public policy debates. This is also of course due to the support of our Steering Committee, Research Advisory, Committee, Research Associates and all of our individual and organizational members. We are a great team and knowing the challenges of continuing to increase our capacity and raising funds, we proceeded on our mission to find the best person possible who could take on the daunting task of continuing the work John did. At the end of the day, one candidate was the top choice for all of us, Christine Saulnier and we are pleased to say that she accepted the position and is now the new provincial director of CCPA - NS.

Christine Saulnier came to us from the Atlantic Centre of Excellence for Women's Health

in Halifax where she was a Senior Researcher & Research Manager. In this position she helped to build the Centre's research capacity by developing research grants and serving as a coinvestigator on numerous projects related to the social determinants of health. She was the provincial coordinator and a co-investigator on a project examining farm family health in Nova Scotia with additional sites across Canada. As a political scientist with specialties in the fields of Canadian politics and women and politics, her research has been framed by an ongoing interest in public policy.

We are happy to have Christine as Director of CCPA - NS and we look forward to working together on the many challenges ahead.

Joan Wark, Chair, Steering Committee

#### Note from the New Director

This is the time of year when we take stock of the year that has past. As new director of the CCPA, I have been reviewing the impressive amount of work that has been done – not just in the past year, but since 1999. The CCPA-NS has tackled an impressive range of issues. In the past year alone, the CCPA-NS has intervened in debates about

energy security (see Hughes, 2007), about the right to strike (see Haiven and Haiven 2007), about the Halifax bid for the Commonwealth Games, about Atlantica, about the need for a living wage (see John Jacobs commentaries).

The CCPA-NS continues to offer a cogent analysis of Nova Scotia's fiscal situation, by also offering an alternative way of thinking about debts, deficits and spending. Unfortunately, there is no lack of issues that require our attention.

My goal is to continue the impressive work begun by the founding director, John Jacobs, to ensure more Nova Scotians benefit from economic growth. Clearly, the status quo is not acceptable when we have so many families living in poverty, when there are so many people who do not have adequate housing or food. We need to better meet the needs of African Nova Scotians who are often not able to reach their full potential and of immigrants who are choosing to leave the province. Aboriginal people in this province face an appalling burden of illness that other Nova Scotians do not.

In short, too many Nova Scotians are being left behind and this despite what can be called prosperous times.

In solidarity, Christine Saulnier

# A look at the Nova Scotia Government: Select Issues and Policies

## What about that poverty strategy?

The government has made an important step forward; it has recognized the need for a poverty strategy. An extra 4\$/month for social assistance recipients is not a sufficient response. This government continues to disadvantage the poor whether in the name of road safety or business competitiveness.

# Squeegee Kids: A democratic right or a road hazard?

Recent amendments to the Motor Vehicle Act mean that panhandlers and solicitors are banned from stopping or approaching vehicles on the road and that squeegee kids are not allowed to offer to wash windshields. Should these people continue to offer to wash windshields or ask drivers for money (unless they are part of a charity who has a permit to do so), they can be fined or face charges. These changes call into question the government's commitment to take action on poverty and get at the root of the issues involved. The minister's response to criticisms of the legislation was that he hopes the changes will give squeegee kids a reason to find a new way to conduct their business.

We can only speculate about what motivated these changes and what motivated the Liberal party to support them. The only other 'action' on the antipoverty strategy was to announce the formation of a working group. We shall monitor the work closely.

A CCPA publication that is related and very thought-provoking is called The expressive liberty of beggars: why it matters to them and to us by Arthur Schafer, published last September. His contention is that begging is a legitimate way for people to communicate their message to their fellow citizens. According to Schafer, to restrict beggar's ability to do so without providing an alternative is an illegitimate use of state power and goes against the nature of our democracy. "Non-aggressive begging," Schafer says, "involves the kind of expressive communication between people that a free and democratic society should seek to protect rather than restrict. Freedom of expression is a fundamental human right, so any law that limits or interferes with this liberty should be viewed as a violation of human rights."

For more information: see clause 13 of Bill 7; an act to amend the Motor Vehicle Act

at the legislature's website: http://www.gov.ns.ca/legislature/house business/bills.html

For more information, see the poverty reduction strategy developed by community groups and activists available on the website of the Community Action on Homelessness: http://cahhalifax.org/ The vision behind this strategy is for "a prosperous, diverse population within a province where all individuals are valued, have access to the supports they need to participate fully in society, and are able to develop to their full potential, share equitably in the consumption of wealth, and contribute to the development of their communities."

#### **Payday Lenders**

Last year the government made amendments to the Consumer Protection Act that followed changes that the federal government made to section 347 of the Criminal Code. This change offered an exemption to payday lenders operating in provinces or territories that have legislation to regulate payday lenders. There is now a void of government regulations. The province decided to fill the void and make changes to the Consumer Protection Act in response to consumer complaints.

The Utility and Review Board is preparing to determine the maximum interest and fees payday lenders can charge. The public hearings were held in January. No decision has been made yet.

What are payday lenders? Companies like Money Mart, which is said to own about 30% of stores in the industry and to have close to 50% of business. These companies offer short-term loans. Consumers who use these services are most often those individuals who have run out of money part way through the month and plan to pay back the loan as soon as they get their pay cheque. The company thus extends credit based on a percentage of the borrower's net pay until his/her next payday (generally within two weeks or less). The borrower provides the payday lender with a postdated cheque, or authorizes a direct withdrawal, for the value of the loan plus any interest or fees charged.

It is clear that these companies are here to stay. The issue is how much they will be allowed to charge consumers in interest and related fees. Currently, the interest rate they charge is on average 60%. Indeed, while they often present their interest rate as a nominal rate for the term of say 12.82%, this is in effect an annual rate of interest of 1242%. Pay day lenders raise questions about why they are so profitable, and what unmet need they are fulfilling. An upcoming

report by Jerry Buckland, to be published by the Manitoba office of the CCPA, reviews these interconnected issues as a problem of financial exclusion - where a person has no mainstream bank account or has an account but uses it in a nominal way. Christine Saulnier's report can be seen: http://www.nsuarb.ca/PayDayLoansDocuments.html

## Banning the Right to Strike

In May of last year, Premier Rodney MacDonald announced that he wanted to take the right to strike away from 32,000 people in health care and community services. He is proposing to do so by replacing the right to strike with binding arbitration. The bill made it to second reading, when debate was adjourned after a few speakers. The bill was not put to a vote, but it still could be. In addition, no matter what happens to this legislation, the issue is certainly still one that needs to be watched and understood. The CCPA-NS will be releasing the third in the series of reports by Judy Haiven and Larry Haiven. on this subject very soon. The last publication Health Care Strikes: Pulling the red cord received some good media exposure and was picked up by many organizations across the country. Here is one link: Health Care strike ban will mean less warning of trouble, NUPGE Website: www.nupge.ca/news 2007/

n23no07c.htm

Thanks to Judy and Larry for all of their hard work on these publications. Their timing has been right on the mark!!

For more information on this issue, see: Government's planned changes to the trade union act:

http://www.gov.ns.ca/govt/ tuaa/default.html Government Discussion Paper on arbitration:

http://www.gov.ns.ca/enla/ unionworkplaces/docs/DiscussionPaperHealthcare.pdf http://www.dontmakehealthshortagesworse.ca/

This is the website of the NS coalition made up of the seven Unions who represent the 32,000 people affected by the legislation to limit bargaining rights.

#### **Big Box Child Care**

You have heard of big box stores, what about big box child care centers?

The world's biggest child care corporation appears to be embarking on a Canadian buying spree – a development that threatens the future of a public, non-profit child care system. For more information see the Child care Advocacy Association of Canada's website: http://www.ccaac.ca/campaign/warehousecc.php

In Australia where these stores have proliferated, these for-profit centres have influenced the "corporatization" of child care. These centres

have resulted in rapidly rising parent fees, which have led the government to increase the subsidies to parents so they could afford child care -- government subsidies end up as corporate profits, instead of improved quality programs for children. As has been pointed out: "When child care is seen as a business, that means a shift away from local community planning, away from an emphasis on improving access for everyone. It means instead favouring businesses' right to set up where they can make a profit." Ginette Petitpas-Taylor, Will it be children before profits in N.B.? Moncton Times-Transcript, November 29, 2007. (N.B. She has a regular column in the Times-Transcript that is reprinted in StraightGoods (www. straightgoods.ca) and is worth checking out for an interesting perspective on current issues facing women, families and communities.)

Also of note is that the three federal opposition parties are supporting a bill that was introduced into the House of Commons by the NDP: Bill C-303-the Early Learning and Child Care Act. This bill would establish criteria and conditions in regarding child care funding. The Conservative Party has said it will not support the bill. However, on November 20 the bill received a successful. It needs to go to one final vote before passing. For more information contact your Member of Parliament.

What is our government doing about the lack of access to child care in our province?

#### Do you know about the Social Economy and Social Sustainability Research Network?

This network leads an Atlantic-wide research project with the help of a grant from the Social Sciences and **Humanities Research Council** of Canada. Researchers and partners include over eighty social economy practitioners, academics, collaborating institutions, government agencies, and community partners. Accordingly, their focus on the social economy involves examining organizations that "put people before profit, that exercise democratic principles in their governance, that put an emphasis on participation, empowerment, and individual and collective responsibility; and whose management is independent of government." For more information: http://www.msvu. ca/socialeconomyatlantic/

#### **Interesting websites**

"Parliament is more than procedure – it is the custodian of the nation's freedom"

Some of you may recognize this quote, it is from John Diefenbaker. If you like it, there is a youth group in Montreal who is selling it on t-shirts

and hoodies....read on to learn more.

Apathy is Boring is a national non-partisan project that uses art, media and technology to encourage active citizenry, outreaching to a broad demographic of youth about how to be more involved in their communities and the democratic process. To find out more see their website: http://www.apathyisboring.com/en/

They also highlight this website: Youthfriendly.com. It claims to offer easily accessible information about intergenerational partnerships and the tools to keep your organization in touch with today's young people.

#### **QUIZ:** True or False?

In 2005 for every \$1 earned by the poorest 10% of families with children, the richest 10% earned more then \$10. (See answer on page 7)

# Contributions to the Newsletter

Do you want to contribute something to the newsletter? Please contact Joan Wark or Christine Saulnier.

Joan Wark can be reached at: nsfl@ns.aliantzinc.ca email 902.454.6735 phone 902.454.7671 fax

Christine Saulnier can be reached at: christine@policyalternatives. ca email 902.477.1252 phone 902.484.6344 fax

#### **CCPA** in the News

A letter to the editor of the Daily News was published that accused the CCPA-NS of publishing propaganda. This letter received many online comments. Here is what we said in response:

I am writing in response to the letter by Peter McCurdy of November 27about the report: "Health Care Strikes: Pulling the Red Cord." As the director of the Canadian Centre for Policy Alternatives-Nova Scotia, I would like to clarify the work of this Centre and its mandate. The CCPA-NS is an independent, nonpartisan research organization that produces progressive economic and social policy research. By progressive, we mean research that takes into consideration the implications of policy options for social justice, equity, environmental sustainability and ultimately building healthier communities. This does not mean, however, that the research we produce is propaganda.

From his comments, it appears probable that the letter-writer did not read the original report and we invite him and others to read the full report and rest assured that it has stood the test of standard academic rigor. All of the work published by the CCPA-NS goes through a peer review process whereby experts in the area (at least two) blind-re-

view the manuscript assessing its quality and ensuring that the arguments are backed by credible, sound research. These reports help the organization serve as an alternative source of policy ideas, which serves to also encourage debate on important issues. We welcome the day when this kind of alternative is not required; until then we shall continue to do this work with the help of our generous members, volunteers and partners.

## Why are we revisting P3s?

This pieee was publised in the Halifax Herald on February 27, 2008:

Perhaps the only thing that is clear from the newest attempt to enter into more P3 partnerships in this province is that public policy decisions are made despite the lack of evidence to support them.

The evidence against this kind

of privatization is overwhelmingly negative – the Canadian Centre for Policy Alternatives has published numerous reports examining experiences in British Columbia, Nova Scotia and Britain.

For communities, these projects have resulted in less access to spaces that can be used for recreational activities, for example. This seems to go against the government's own health promotion message. For health care, they have meant higher user fees and longer waiting lists in the public system. This seems to go against the government's attempts to address access issues. These P3 projects raise con-

cerns about public accountability. In the last round of "partnership building," the schools' lease details were not disclosed for reasons of "proprietary corporate information." Past experience tells us that the "devil was in the details." In the meantime, the government is locked into a contract for 25 to 30 years that allows for no flexibility to respond to community needs.

The government's motivations for spending the money to look into P3 projects have not been made clear. We are continually being told that the government has to pay down the debt and continue to balance the budget. However, in his examination of P3s, economics professor John Loxley has concluded that "governments end up actually paying more for these leases than if they borrowed the money directly themselves." This was confirmed by our own provincial auditor. The only motivation seems to be the money being offered by the Harper government for such P3 projects. Is this federal

#### Answer to question on page 5

TRUE For every \$1 earned by the poorest 10% of families with children, the richest 10% earned \$12.57 in 2005. The benefits of a strong Canadian economy have not been evenly distributed among Canadian families.

Additionally, the average incomes for the poorest 10% of Canadian families with children have increased over the past 10 years by \$2,576 or 18%. In contrast, the richest 10% of families with children saw average income increases of \$50,115 or 31% between 1994 and 2005. Excerpt from the Child Poverty Quiz developed by Campaign 2000, to do the entire quiz or find out more about the campaign, go to their website: http://www.campaign2000.ca/

#### Con't from page 6

bribe sufficient reason for this kind of public policy decision?

We should also be asking why the government has waited this long to deal with our aging infrastructure and is now faced with an overwhelming number of projects that need to be addressed all at once. The age of our infrastructure should not be a surprise, but here we are at nothing less than a crisis point. Statistics Canada recently released a report showing that Nova Scotia has the oldest infrastructure in the country. Renovations are sometimes more cost-effective than new construction, and spreading out the costs over many years also would have made more sense. It is hard not to be cynical and suggest that waiting for a crisis is the best way to convince Nova Scotians that the government has no choice and there is only one way to solve the problem.

As the government embarks on the road to investigating the costs and benefits of these partnerships, it must ensure that its decision is based on all the information, which is then provided to the electorate. The citizens of this province deserve all the complicated details, including evidence of the higher costs and lower benefits if the public sector was to build and operate the infrastructure instead. Previously, these costs were exaggerated by the private companies that were asked to submit this information.

P3 "partnerships" are presented as if the private sector is acting altruistically to help our government improve its infrastructure. The only way that the private sector can be involved is if there is profit to be made. P3s have not been proven to be in the public interest. They have, however, been rather profitable for private companies choosing to hire cheaper labour and cut costs and corners without being held publicly accountable.

Christine Saulnier is director, Canadian Centre for Policy Alternatives-Nova Scotia.

## Appeal for CCPA-NS publications:

Are there issues that you would like to highlight? Do you want to highlight policy options that have not received enough public attention? Are you an academic who would like to have their research read by a broader audience then is reached by most academic journals? Think about writing a short article for the next newsletter. Or think about writing a publication for the CCPA-NS.



**CALM** Graphic

#### Go to:

www.policyalternatives.ca for more publications and information.

#### **Canadian Centre for Policy Alternatives – Nova Scotia**

Tel: 902-477-1252; Fax: 902-484-6344 Toll-free: 1-877-920-7770

email: ccpans@policyalternatives.ca

Website: www.policyalternatives.ca. Organizational memberships are

also available. For more information, please call CCPA - NS Provincial Director Christine Saulnier at 902-477-1252.

Please note that this form is for new members only. If you would like to renew and have not received your notice, call 477.1252

Become a member of the CCPA - NS
Please complete and return this form to: Canadian Centre for Policy Alternatives Nova Scotia Office, P.O. Box 8355, Halifax, N.S., B3K 5M1. You can also join online: www.policy-alternatives.ca
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Please choose membership type:
\$300 Sponsor - you will receive the CCPA Monitor and a \$265 tax receipt
\$100 Supporting Member - you will receive the CCPA Monitor and a \$75 tax receipt
\$35 Basic Income Membership - you will receive the CCPA Monitor
\$ Choose an amount that suits your budget, you will receive a tax receipt for balance over \$35
Choose payment option: Visa or Mastercard #
Expiry Date: (month) (year) Cheque
Yearly - we will charge your credit card for the full amount of your membership.
For \$100, \$200 or \$300 memberships, we can charge your credit card each month (\$100 membership = \$8.35/month, \$200 membership = \$16.70/month, \$300 membership = \$25/month
Signature:
Date: