

7-1-2010

# The Role of Municipalities in Redistribution in Ontario: A Study on Ontario Works

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Public Administration 9931

The role of municipalities in redistribution in Ontario: a study on Ontario Works

MPA Research Report

Submitted to

The Local Government Program

Department of Political Science

The University of Western Ontario

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July 2010

## **Abstract**

This research report presents a qualitative study that examines the role of redistribution at the level of the municipality in Ontario. Grounded theory approach is used to guide the research process. Data for the study are drawn by semi-structural interviews in a mid-size municipality in southwestern Ontario from 15 stakeholders of Ontario Works located in municipal social services department, municipal council, community-based organizations, and members of community on Ontario Works. Findings of this study support a service provision model which builds upon the strengths of municipalities in relation to the issue of redistribution. This study further suggests that municipalities should have a greater degree of flexibility at the level of policy implementation.

## **Acknowledgements**

I would like to thank you my wife, Dora, in support of my MPA study and my supervisor, Dr. Emmanuel Burnet-Jailly, for his guidance in completing this research report. I also like to express my gratitude to all participants in this research study. All of them are with me working on the same goal to make the welfare policy and programs more responsive to the people in Ontario.

## Table of Contents

| Chapter  | Page |
|--|------|
| 1. Introduction  | 1    |
| 2. Literature Review   | 3    |
| • Theoretical Framework  | 4    |
| • Welfare Policy and Provision in Ontario                                  | 10   |
| • Research Questions   | 16   |
| 3. Method  | 17   |
| • Instrument   | 17   |
| • Participants   | 18   |
| • Data Analysis  | 19   |
| 4. Results   | 20   |
| • Theme One: Temporary Income Support                                      | 20   |
| • Theme Two: Positive Partnership in Program Operation                     | 22   |
| • Theme Three: Standardization at the Province but with<br>Local Relevance | 25   |
| 5. Discussions and Conclusion  | 31   |
| • Role of Municipalities in Redistribution                                 | 33   |
| • Values behind the Policy   | 34   |
| • Policy Process   | 35   |
| • Localized Social Assistance Service Provision Model                      | 36   |
| • Limitations  | 39   |
| • Conclusion   | 39   |
| 6. References  | 41   |
| 7. Appendices  | 45   |

## CHAPTER 1: INTRODUCTION

According to the Constitution Act (1867) of Canada, social welfare is the jurisdiction of each province; municipalities only strictly follow the provincial directives in policy implementation (Marquardt, 2007/08). However, literature argues that traditionally municipalities have a high degree of discretion in administering social assistance programs (Kwok & Tam, 2010). Furthermore, the recent change of the provincial-municipal fiscal arrangement over social assistance in Ontario has provided a window of opportunity for municipalities to re-examine their role in redistribution at the local level. In the report *Provincial-Municipal Fiscal and Service Delivery Review: Facing the Future* in October 2008, the government of Ontario, the Association of Municipalities of Ontario (AMO), and the City of Toronto have jointly announced that the benefit costs of the Ontario Works, the largest social assistance program in the province, will be uploaded to the province in 2010 as part of the graduated upload that will last until 2018 (Ministry of Municipal Affairs and Housing, 2008). Such fiscal change has put Ontario in line with the rest of the provinces in Canada in terms of provincial-municipal social welfare funding arrangement. Before 2010, the province used to pay 80 per cent of Ontario Works benefits, and the municipalities paid 20 per cent. Now the upload to the province will reduce cost pressure for municipalities and will have an annual net benefit of \$1.5 billion (Martin, 2008). This new financial change provides an opportunity for the province and municipalities to re-evaluate the welfare policy and social service provision in Ontario.

Against this backdrop, this is a timely study to look at the role of redistribution at the level of the municipality in Ontario by examining the Ontario Works. Data for the study are drawn by semi-structural interviews in 2010 in a mid-size municipality in southwestern Ontario from 15 stakeholders of Ontario Works located in municipal social services department, municipal council, community-based organizations, and members of community on Ontario Works. Findings of this study support a service provision model that builds upon the strengths of

municipalities in relation to the issue of redistribution. In addition, this study suggests that municipalities should have more flexibility at the level of policy implementation despite the problem definition and policy instrument designs are in the hands of the province. As such, this study tackles one of the most persistent issues in social policy – where should the locus of responsibility be (Hoefer, 2010)? If it is a governmental mandate to care for those in need, which level of government bears which costs and responsibility? What is the correct mix of flexibility to meet local conditions versus the desire to maintain similar benefits for people in similar situations in different parts of the province? This research report attempts to answer these questions as unfolded in the following sections.

In addition to this *Introduction* chapter, this report entails four other chapters. *Literature Review* chapter examines the current theories on policymaking and policy implementation in the context of Ontario. The chapter on *Method* describes the design, data collection, and data analysis of this study. *Results* chapter presents the findings organized around three major themes: temporary income support; positive partnership; and provincial standards but with local relevance. The *Discussion & Conclusion* chapter attempts to develop an income assistance model for municipalities and discusses its implications for redistribution at the local level.

## CHAPTER 2: LITERATURE REVIEW

### *Key Concepts*

The terms *social assistance*, *administration*, *redistribution*, and *Ontario Works* used in this research report are defined herein so as to give us a common ground for dialogue. *Social assistance* or *welfare program* refers to those temporary financial assistance programs provided by federal and/or provincial governments to individuals or families with the intention to guarantee recipients' basic living standard. These income assistance programs are usually provided in the forms of cash transfer on the condition that program recipients need to fulfill certain requirements (Harles & Davies, 2005). Ontario Works is an example of a social assistance program offered by the government of Ontario.

*Administration* or *delivery* of social assistance programs refers to the implementation of these social assistance programs by municipalities on behalf of the province; these programs are implemented according to provincial directives (Kelleher & Yackee, 2004). Municipalities are accountable to the relevant Ministry in the implementation of these programs. In Ontario, municipalities, described as delivery agents, are reporting to the Ministry of Community and Social Services (Office of the Auditor General of Ontario, 1998).

*Redistribution* refers to a process through which resources of individuals and groups on higher incomes or wealth are transferred to those on lower incomes or wealth. Redistribution by government is usually implemented through taxation, transfers, regulation or provision of public services (Guest, 2000). Social assistance program in Ontario such as Ontario Works is one of the policy instruments used by the government for redistribution purpose.

Ontario Works (OW) is the social assistance program provided by the government of Ontario that comprises three program components: community placement, employment support, and employment placement. The objective of Ontario Works is to provide a temporary solution of last resort for people who need financial support and access to training opportunities for



employment that might not otherwise be available (Ministry of Community and Social Services, 2009). More precisely, Ontario Works is designed to focus on “getting people ready for the next job” (Mathews, 2005). This social assistance program is limited to and designed for those who are either currently or potentially employable in a full-time job. It provides financial support for people who, for a wide range of reasons, are not currently working and have no other means of support. It also offers a range of employment supports and training opportunities that would assist people in their transition from social assistance to sustained, meaningful employment (Ministry of Community and Social Services, 2009).

### ***Theoretical Framework***

Numerous theoretical models are found in literature regarding public policy on social welfare. Among these conceptual perspectives, the three central variables of policymaking proposed by Peter Hall (Hall, 1993); the policy analysis framework suggested by Leslie Pal (Pal, 2006), and the *New Public Service* model offered by Robert Denhardt and Janet Denhardt (Denhardt & Denhardt, 2000) are reviewed in understanding the current welfare policymaking and policy implementation theories.

Peter Hall (1993) proposed that ideas play an important role in policymaking and that concept of social learning could be disaggregated into three central variables: the overarching goals that guide policy in a particular field (third order), the techniques or policy instruments used to attain those goals (second order), and the precise settings of these instruments (first order). In the context of welfare policy, if policymakers believe (third order) that those who are on income assistance programs are due to their lack of employable skills rather than to the economic structure or unfavorable job market conditions, the policy instruments (second order) adopted would be focusing on job training as opposed to providing income security to ensure program recipients' basic needs. The precise settings (first order) would be the level at which the eligibility

criteria and benefits of the social assistance program are set (Borghi & Van Berkel, 2007; Johansson & Hvinden, 2007).

Hall (1993) further observed that policymakers are very resistant to the third order change since it involves the change of values or a shift in paradigm. Rather, policymakers are probably more willing to make compromises on policy instruments (second order) and/or the instrument settings (first order) (Hall, 1993). Already, Thomas Kuhn's image of scientific progress has given us the idea of how slow and gradual the paradigm shift would be (Kuhn, 1970). Other literature also support the notion that values are hard to change and are the key in guiding every dimensions of policymaking and program implementation in social welfare: policy goal setting, program designs, service provision process, the role of service users, the accountability of service providers, the discretion of frontline workers, and opinions on how the behavior of service providers and service users should be steered (Granberg, 2008; Van Berkel & Borghi, 2007). As such, policy changes are more likely to happen at the level of second order (changes of program design) or first order (amendments of eligibility criteria of an income assistance program).

If Hall (1993) provides us the direction regarding which order of policy is more or less difficult to change, Pal (2010) offers us a useful framework for policy analysis in terms of the dynamic relationship between policymaking and policy implementation. Pal (2010) defined public policy as a course of action or inaction chosen by public authorities to address a given problem or interrelated set of problem. This definition involves three elements: problem definition; policy goals; and policy instruments. Similar to the three orders of policy change (Hall, 1993), Pal (2010) explained that for a good public policy these three elements (problem definition, policy goals, and policy instruments) are expected to be consistent and logically related to each other.

Further, Pal (2010) elaborated that policy design and implementation are conceptually distinct, but overlap in practice. Such understanding brings another layer of dynamic relationship between policy design and policy implementation in policy analysis. The policy design is about

determining the problem, the goal, and the most appropriate instrument for a solution. Even if all of that goes well, and the conceptualization of the policy problem is broadly correct, the follow-through can fail. The governance literature on welfare has pointed out that implementation is the most important part of policy process in local setting (Andersen, Clasen, Van Oorschot & Halvorsen, 2002; Johansson & Hvinden, 2007; Newman, 2007). Policy is made as it is shaped, understood, enacted and experienced in plurality of sites by a plurality of actors in a dispersed field of power. This goes beyond the idea of the “street level bureaucrat” applying discretion in local offices (Lipsky, 1980), and opens up the idea of policy as a dynamic domain where the whole policy process from problem definition, policy design, to policy implementation are shaped by a varieties of actors and stakeholders involved with the relevant policy (Andersen, Guillemard, Jensen & Pfau-Effinger, 2005; Rhodes, 1997). Such understanding of the dynamic relationship between policymaking and implementation has brought both social policy analysts and public administration scholars to study more closely together on welfare state reform and transformation (Berkel & Borghi, 2007; Henman and Fenger, 2006; Newman, 2005; Struyven & Steurs, 2005); as traditionally social policy analysts and public administration scholars were focusing on separate domains where the former was on the policymaking process and the latter was on operation of the policy (Berkel & Borghi, 2007).

In contrast with the emphasis of Hall (1996) and Pal (2010) on policymaking process, Denhardt & Denhardt’s analyses (2000) focus on the responsibility of the public administrators and on the consequence of policy to the public. Denhardt & Denhardt (2000) proposed a new model of governance called *New Public Service* that citizens should be placed at the center of the public administration; public administrators should focus on their responsibility to “serve and empower citizens as they manage public organizations and implement public policy” and “building public institutions marked by integrity and responsiveness” (Denhardt & Denhardt, 2000, p. 549).

The *New Public Service* model is in contrast with the *Old Public Management* and the *New Public Management*. The tenets of *Old Public Management* as described by Luther Gulick

include: public administration is politically neutral; the focus of government is direct delivery of services and the best organizational structure is a centralized bureaucracy; programs are implemented through top-down control mechanisms, limiting discretion as much as possible; and bureaucracies seek to be closed systems to the extent possible, thus limiting citizens involvement (as cited in Denhardt & Denhardt, 2000). This approach stresses on administrative procedures from a top-down manner which does not place much attention to the public service recipients. Clearly, the *New Public Management* is a response to the limitations of the *Old Public Management*. The *New Public Management* is linked to the public choice perspective in public administration. In its simplest form, public choice views government from the standpoint of markets and customers. The *New Public Management* supports the idea that government should be run like a business, which relies on market-like arrangements such as competition within units of government and across government boundaries to the non-profit and for-profit sectors, performance bonuses, penalties to loosen the inefficient monopoly franchise of public agencies and public employees, and measurement by concrete outcomes and objectives (Kaboolian, 1998; Osborne & Gaebler, 1992). Further, the *New Public Management* argues that government not only should adopt the techniques of business administration, but also should adopt certain business values as well (Denhardt & Denhardt, 2000). Program recipients are now regarded as customers rather than citizens.

Nevertheless, the market in the context of public service, in particular the welfare provision, is not a conventional market. Mintzberg (1996) suggested that there is always problem of running the public sector as a business organization. There is a value involved in redistribution in welfare policy (Bredgaard & Larsen, 2007; Kwok & Tam, 2010). The policymaking over welfare then involves political choice rather than merely relies on economic reasoning (Giddens, 1994). If everything is so clear and every benefit are measurable, those activities would have been in the private rather than in the public sector (Kwok & Tam, in press). As such, the *New Public Services* demands that a widely shared public interest is the aim, not the by-product of any

policymaking process. The process of establishing a vision for society is not something merely left to elected leaders or appointed public administrators. Instead, the activity of establishing a version or direction is something in which widespread public dialogue and deliberation are central (Bryson & Crosby, 1992; Stone, 1988). Further, the role of government, especially local government, is to help create and support “community” in which to stimulate a renewed sense of civic pride and civic responsibility. At the end, public service operates to serve citizens and create opportunities for citizens (Denhardt & Denhardt, 2000).

Similar to Hall (1993), the *New Public Service* has brought back the importance of value to the policymaking. Denhardt & Denhardt (2000) is also in consistent with Pal (2010) that policymaking and implementation is integrated in the policy process. Nonetheless, Denhardt & Denhardt (2000) went further to suggest that government, especially the local government, should have dialogue with the community in order to build the bond of the community and create a public value for public service when comes to serving citizens. For reference convenience, the theoretical frameworks of Hall (1993), Pal (2010), and the governance models suggested by Denhardt & Denhardt (2000) are summarized in Table 1.

Table 1. Summary of the theoretical frameworks and governance models of Hall (1993), Pal (2010) and Denhardt & Denhardt (2000)

|  | Hall (1993)                         | Pal (2010)                   | Denhardt & Denhardt (2000)  |   |   |
|--|-------------------------------------|------------------------------|---|---|---|
|  | Role of ideas in policymaking       | Key elements of every policy | Public value for public service   |   |   |
|  |                                     |                              | Old Public Administration   | New Public Administration   | New Public Service  |
| Epistemological foundation                 | Value of policymakers (Third order) | Policy definition/ goal      | - Conformist<br>-Top-down approach<br>- Political theory                                  | - Market-driven<br>- Economic theory  | -Dialogue with the community and citizens<br>- Democratic theory                                |
| Mechanisms for achieving policy objectives | Policy instrument (Second order)    | Policy design                | - Rowing<br>-Administer programs through existing government agencies<br>-Serving clients | - Steering<br>-Incentive structure to achieve policy objectives<br>-Serving customers | - Serving<br>-Building coalitions of public to build mutually agreed goals<br>-Serving citizens |
| Policy administration                      | Instrument settings (First order)   | Policy implementation        | -Little discretion allowed in implementation  | -Wide latitude to meet entrepreneurial goals  | -Discretion needed but should be constrained and accountable                                    |

### *Welfare Policy and Provision in Ontario*

Literature regarding the social welfare paradigm shift and the historical role of redistribution at the level of municipalities in Ontario are reviewed as a way to shape the research questions of this study. Also, it should be noted that the materials discussed in this section should be understood in the context of Ontario.

There has been a paradigmatic shift began in early 1980s in western governments over welfare policy from ensuring basic quality of living for citizens to the one that largely focuses on employment; that is, to find the quickest possible way back to ordinary employment, thus easing the pressure on social security spending (Bredgaard & Larsen, 2007; Granberg, 2009; Herd, Mitchell & Lightman, 2005; Herd, 2002; Newman, 2007). Scholars have argued that such paradigm shift implicated the dismantling of welfare state. Accordingly, the welfare policy of western governments has shifted from income security to workfare (Borghi & Berkel, 2007; Peck, 2001); has privatized the social problem (unemployment) to individuals (Newman, 2007; Van Gestel & Herbillon, 2007); and has changed the citizenship as “status” (associated with rights, safety nets and benefits) to citizenship as “contract” (the access to rights is conditional on active participation in the labour market) (Bredgaard & Larsen, 2007; Handler, 2004). This transformation of welfare policy from an universalistic capacity-building approach (ensuring basic quality of life) towards a liberal incentive-strengthening approach (focusing on workfare) for citizens on income assistance programs also have been witnessing in Nordic welfare states which traditionally have well-established redistributive social services (Joansson & Hividen, 2007; Norberg, 2006).

In Ontario, the shift of welfare policy from universal welfare to workfare was evidenced when the Progressive Conservative (PCs) won the election in 1995 (Herd, Mitchell & Lightman, 2005; Herd, 2002). Workfare became the “visceral issue” (Walkom, 1995) of the 1995 election campaign, fed by public anxiety over the cost of social assistance and hostility towards those who

relied on it (Marquardt, 2007/08). There was much public support for workfare, but also widespread resistance in Ontario.

There is an extensive literature over the concerns of the workfare nature of the Ontario Works (the income assistance programs in Ontario) which was introduced by the Progressive Conservative (PCs) government of Ontario in late 1990s. These literature document that, first, the Ontario Works does not provide adequate support to people in need. The program provides income assistance support well below the LICO (low Income Cut-Off point) suggested by Statistics Canada. Second, the workfarist program assumptions are stigmatizing, suggesting that social assistance recipients must be forced to work. The program therefore reinforces both maldistribution and misrecognition. Third, the formula of Ontario Works that mandates the shortest route to employment for each client created a cycle in which people tend to move between insecure, low-wage employment and inadequate welfare. Fourth, the streaming of clients into different programs likewise reinforces existing inequalities and unequal distribution; the most employable clients get jobs, while the least employable are warehoused or placed in make-work schemes. Fifth, the work-first policy encourages the expansion of low-wage employment, thereby undermining the wage levels, working conditions, and regulatory standards governing other workers (De Wolff, 2006; Herd, 2002, 2003; Herd, Mitchell & Lightman, 2005; Kelleher & Yackee, 2004; Lalonde, 1997; Moscovitch, 1997; Torjman, 1997; Torjman, 2000; Vosko, 2000; Snyder, 2006).

Welfare is the purview of each province in Canada (Guest, 2000). In Ontario, municipalities are generally regarded as the “delivery agents” (Office of the Provincial Auditor of Ontario, 1998). How much discretion do municipalities have in administering the Ontario Works at the local level in face of the diverse views regarding the workfare? What is the role of redistribution at the municipal level in Ontario in the province-designed but municipalities-administered welfare policy and programs?



Some scholars have noted that municipalities are constrained by their political and fiscal capabilities in the role of redistribution at the local level (Peterson, 1981; Sancton, 2002). Municipalities have no control over who resides within their borders; no control over imports, exports or financial services; and have limited fiscal freedom in relation to both borrowing and taxation. Attempts by municipalities to develop their own welfare policy and redistributive programs “come to grief because they ultimately attract poor people and drive out taxpayers who can find lower tax levels elsewhere” (Sancton, 2002, p. 28). Therefore, if the municipalities call for redistributive policy, they will usually suggest that the programs should be funded with revenues from the higher levels of government (Peterson, 1981).

On the other hand, literature also suggest that from both ideological and administrative dimensions, municipalities in Canada have more leverage regarding welfare program provision than we generally assume (Harles, & Davies, 2005; Kwok & Tam, 2010; Struthers, 1994). Over the past decade, the discretion of municipal government in policy implementation over social assistance programs has also increased because of the shift to ideology on self-reliance on welfare provision and devolution of welfare policy to municipalities (Kelleher and Yackee, 2004).

The role of municipalities in social welfare provision in Canada could be roughly divided into three periods. The first period refers to the time before Great Depression in early 1930s when municipalities were financially and administratively responsible for the welfare provision. The second period is between the time after Second World War and early 1980s when various welfare programs were well established in Canada, and that is generally referred to by literature as the golden period of welfare state in Canada (Guest, 2000). Welfare programs were financially shared by the federal and provincial governments, and administered by the provinces or municipalities. The last period started roughly from the dismantlement of welfare state in late 1980s and continues up to present days. Municipalities in Ontario took up again part of the financial responsibility and full administrative responsibility of social assistance.

Back to the Dominion period, Canada has no social assistance programs at either the federal or provincial levels; all social assistance and welfare programs were provided by local charities (Guess, 2000). According to section 91 and 92 of the Constitution Act (1867), it is the provinces along with territorial administrations that are responsible for social assistance. Each province had its own social assistance programs such as poor houses and work houses. Ontario has asked its municipalities to administer and to be financially responsible for these social services at the local level. These administrative and financial arrangements were understandable at that time because social services were not well established and would not pose a financial burden to municipalities (Graham, Swift & Delaney, 2003). Moreover, it was also a tradition from the Elizabeth Poor Law of 1600 in England that all poor houses and work houses should be financially supported and run by the municipalities (Guest, 2000).

The establishment of welfare state in Canada has begun to limit the role of municipalities in redistribution; the federal and provincial governments was more financially responsible for welfare programs, and municipal governments were only “delivery agents” which were supposed to administer the programs according to provincial directives. After the Great Depression in 1929, there was a paradigmatic shift in terms of welfare policy. Learned from the Great Depression, governments of all level came to realize that municipalities were not in a position to solve a problem such as unemployment on a national scale. Nor were municipalities financially capable to support these unemployed and their families in a prolonged economic recession (Struthers, 1994). Ottawa took the role of moral authority for the collective well-being of all Canadians and introduced a variety of income redistributive measures, such as Unemployment Insurance, following the Second World War. The consolidation of the social welfare and reforms measures came in 1965 when the welfare state was formally established in Canada with the introduction of Canada Assistance Plan (CAP). CAP was a shared cost arrangement whereby Ottawa agreed to pick up half of the cost of provincial and municipal spending on social

assistance and other social services. This was the model of welfare programs that were federally financed, provincially designed, and municipally administered. In other words, municipalities were no longer financially responsible for the welfare programs (Guest, 2000).

As mentioned in early sections, the fiscal restraints of Ottawa in 1980s and early 1990s led to a gradual dismantlement of welfare state and its distributive system, and attuned itself to another paradigmatic shift to the priorities of the market (Vivekanandan, 2002). In 1996, the repeal of the Canada Assistance Plan (CAP), and the creation of a Canada Health and Social Transfer Programme (CHST) heralded the ending of the shared cost arrangement between federal and provincial governments (Harles & Davis, 2005). CHST gave provinces and territories substantial freedom in recasting their social assistance policy and programs (Harles & Davis, 2005). Unlike the CAP, funds were not legally earmarked for any of the areas – health, social welfare, and education – under CHST. There was a trend that funds utilized for welfare services being channeled to medicare or post-secondary education, severely affecting those depending upon welfare services (Guest, 2000).

Paradoxically, the dismantlement of welfare state has brought more autonomy back to municipalities in social assistance delivery in Ontario. In face of financial restraints, the provincial governments responded by two measures: redesigning and tightening the eligibility rules, and offloading part of the financial responsibility of social assistance programs to municipalities in Ontario (Harles & Davis, 2005).

For policy programs redesign, the province shifted the nature of social assistance programs from welfare to workplace (Snyder, 2006). Social assistance recipients in Ontario now had to work in exchange for time-limited, basic monetary support (Harles & Davis, 2005). The Ontario Works Program, instituted in 1997, makes Ontario the sole province in Canada to impose mandatory employment stipulations, including unpaid community service work, in exchange for benefits (Chunn & Gavigan, 2004; Piven & Cloward, 1971).

Despite the fundamental rules of entitlement are decided by the province, there is still plenty of room for discretion on the part of municipalities in Ontario regarding the eligibility rules. According to a report for the City of Ottawa, it was originally projected that 50% of requests for social assistance would not proceed to the second stage of Ontario Works application (City of Ottawa, 2002). Indeed, a 2001 provincial review identified that too many applications (40%) were bypassing the first stage of Ontario Works pre-screening (Government of Ontario, 2001).

Along with the shift from welfare to workfare, the government of Ontario has decentralized the financial responsibility to municipalities. Municipalities in Ontario were expected to cover 20% of the benefit costs of the workfare program (Harles & Davis, 2005). The restoration of financial responsibility of municipalities in welfare provision signalled that the municipal government role went beyond a mere administrator of provincial social assistance programs. Municipalities in Ontario took up the redistributive role it had assumed before the Second World War. Recently, the provincial-municipal relationship in Ontario might change again after the announcement of the fiscal arrangement in the report *Provincial-Municipal Fiscal and Service Delivery Review: Facing the Future*. The benefit costs of the Ontario Works will be uploaded to the province (Ministry of Municipal Affairs and Housing, 2008). The impact on the role of redistribution for municipalities and the degree of discretion the municipalities have on the social assistance policy implementation is still too early to tell.

From the literature of the theoretical framework on welfare policy and the current social assistance provision in Ontario, we conclude that:

- Value is very important in guiding policymaking and is hard to change; the current paradigm of welfare policy in Ontario is to put more responsibility onto the

individuals for their employment rather addressing inequity in society (Values behind the policy).

- For the success of policy delivery, policymaking and policy implementation should be integrated; welfare is the purview of the province, but municipalities should be included in response to the local needs and conditions (Policy process).
- Values behind policymaking are resistant to change but policy design and instrument settings are relatively less difficult to amend. Policymaking is in the hands of the province, but municipalities traditionally have a high degree of flexibility in instrument settings at the local level (Service provision model).

### ***Research Question***

After reviewing the current literature, the primary research question is refined and shaped with three sub-questions.

The primary research question is to examine the role of municipalities in redistribution in Ontario; and the three sub-questions are:

1. Comprehend the welfare policy and its philosophy from stakeholders of Ontario Works (Values behind the policy);
2. Understand the experiences of stakeholders with Ontario Works (Policy process); and
3. Explore an income assistance model for municipalities in Ontario (Service provision model).

### CHAPTER 3: METHODS

Because this study is to examine the role of municipalities in Ontario in redistribution by understanding the views from different stakeholders and suggest a social assistance service model in response to local needs and conditions, using a grounded theory approach is appropriate (Creswell, 1998; Strauss & Corbin, 1998). Several strategies guided the using of the grounded theory approach: a desire to focus on the interaction of different stakeholders with the policymaking and policy implementation processes and the intention to develop a social assistance program service model for municipalities in Ontario.

Qualitative method was used because the research questions focus on understanding individual experiences of stakeholders with Ontario Works, in particular to the perceptions of the philosophy behind the programs and their experiences with the policy implementation.

Before the data collection, this study has received the ethics approval from the Department of Political Science of the University of Western Ontario.

#### *Instrument*

Using semi-structured interview guides (appendices 3, 4, & 5), data were collected through individual interviews. Interviews were conducted between March and May of 2010 with officials from municipal social services department, members of municipal council, staff of community-based organizations, and members of community on Ontario Works from a mid-size municipality in southwestern Ontario. The interviews lasted between 45 and 90 minutes. All interviews were audio-taped and transcribed. Questions were sub-divided for policymakers/government officials, service providers, and service recipients. But all questions are similar include: “How do you related to Ontario Works?” “What is your understanding Ontario Works?” “How much discretion you see the local government (staff) has for administering the program?”

### *Participants*

Fifteen participants were interviewed for this study. Participants were selected using purposive sampling, as they were recruited through researcher's personal connections and through community-based organizations that provide Ontario Works service to members in the community. Among the 15 participants, 2 are members of a municipal council; 3 are from senior management of a municipal social services department; 4 are from community-based organizations (two are from the management and two are front-line staff); and 6 are Ontario Works recipients. All participants have signed a consent form that outlines the purposes of the study and the possible uses of the information (Appendices 1 & 2). Backgrounds of the 15 participants are summarized in Table 2.

Table 2. Backgrounds of participants

| Participant # | Background  | Participant # | Background   |
|---------------|---|---------------|--|
| 01            | Member of municipal council                         | 09            | Ontario Works recipient                              |
| 02            | Member of municipal council                         | 10            | Ontario Works recipient                              |
| 03            | Middle manager of a community-based organization    | 11            | Ontario Works recipient                              |
| 04            | Senior manager of a municipality                    | 12            | Ontario Works recipient                              |
| 05            | Front-line worker of a community-based organization | 13            | Ontario Works recipient                              |
| 06            | Manager of a municipal social services department   | 14            | Front-line worker of a community-based organization  |
| 07            | Manager of a municipal social services department   | 15            | Executive director of a community-based organization |
| 08            | Ontario Works recipient                             |               |  |

### *Data Analysis*

Audiotapes from interviews were first analyzed for categories of response. These categories were then revised throughout the study by using the constant comparison method of the grounded theory approach (Strauss & Corbin, 1998). Starting data analysis after the first interview, the researcher formulated tentative categories. These categories were either supported or modified by information from subsequent interviews. The researcher (and author) of this report was responsible for the data analysis. Saturation was searched for all categories (Kirby & McKenna, 1989; Strauss & Corbin, 1998). Categories were then analyzed for similarities. Those that shared characteristics were combined to form concepts. For example, the vivo categories (Strauss & Corbin, 1998) of *equal partnership with the province* and *positive partnership with social service organizations in the community* were combined to form the concept of *horizontal cooperation*. By examining the relationships among concepts, three themes were identified for this study (Tutty, Rothery, & Grinnell, 1996); they are: *Temporary income support*; *Positive partnership in program operation*; and *Provincial standards but with local relevance*.



## CHAPTER 4: RESULTS

Findings of this study are organized around three major themes which are consistent with the three sub-questions of this research study: *Temporary income support program (question of the values behind the policy)*; *Positive partnership in program operation (question of the policy process)*; and *Provincial standards but with local relevance (question of the service provision model)*.

### ***Theme One: Temporary Income Support***

#### ***Employment program.***

There is a congruence of views among participants that Ontario Works is an income assistance program of the province. The goal of the program is to provide a temporary solution of last resort for those who need financial support; henceforth, the program has a strong emphasis on accessing to training opportunities for employment. Such understanding is very clear among participants from social services department and members from the municipal council:

*“This is an employment program. So to support people find their way back to work or to support people to work out a plan with the participating community partners or with their caseworkers. But it is also a social assistance program provided a meagre income to support individuals. Things like basic needs and shelters.” [Participant 04]*

*“We (our department) are delivering OW (Ontario Works) for the province. ...OW is an employment program ...They (Ontario Works recipients) are going to need more guidance and support along the way in their journey for an employment.” [Participant 07]*

*“This is a program (Ontario Works) to provide temporary help and get people back on a job.” [Participant 02]*

In regards to the philosophy behind the Ontario Works, participants from the government services and community-based organizations have agreed that it is a workfare program when it first introduced in 1997. However, municipalities have helped to re-configured it to be less punitive in nature over the past decade.

*“It was how Harris’ regime (the Premier of Ontario from 1995 to 2002) see the welfare...It (welfare program) was a change from being a social safety program to workfare...(municipalities) did adopt a series of principles help to reshape some of the changes (of the welfare program)...make it less punitive because there was a lot of push back from the municipality and the broader community to the workfare concept.” [Participant 04]*

*“The cooker-cutter approach from the above (the province) might not take the community and individual differences into consideration...Whoever (Ontario Works recipient) comes through the door (social services department) is different and unique....all services and programs we provided are what we know about our participants.” [Participant 06]*

Nonetheless, the program recipients reported that they were fine with the workfare nature of the Ontario Works. They did concern over the stigmatizing and meagre amount of monetary support they received.

*“I don’t mind go to work (in exchange for welfare). I agree that people should get a job to support themselves.....but it is very hard to find a decent job in this economic climate.” [Participant 08]*

*“I don’t think anyone would like to be on welfare. It is stigmatizing and no good for my kids (to be on an income assistance program)...I would rather go to work” [Participant 12]*

*“Very harsh just to rely on Ontario Works (to feed yourself)...I come here (the community-based organizations) at least twice a month for food” [Participant 12]*

***Should only serve the right population.***

The focus of the Ontario Works is to assist program recipients receiving necessary training for employment. Nonetheless, participants observed that many of those who have multiple barriers (e.g., mental health issue) for employment are on Ontario Works as well. The reason is that they might not be qualified to Ontario Disability Support Program (ODSP) due to the stringent eligibility criteria.

*“(Ontario Works is an employment program)...You should be able to work at some points. If you have disabilities, you should have a much more easy transition to ODSP (Ontario Disability Support Program)...Now the transition is not that easy...That’s fundamentally where we need to do something. Otherwise, individuals are still on the program which is not (designed) for them.” [Participant 4]*

*“They (policymakers of Ontario Works) have to realize that there are people who cannot get a job because of the health problem...but are not qualified for the ODSP.” [Participant 11]*

*“It is important to realize that bureaucrats should have not made all these (rigid) rules... A lot of our folks (Ontario Works recipients) cannot function in a job; they cannot process the job they need to do; they have learning disability whatever but still are not eligible for ODSP.” [Participant 14]*

***Theme Two: Positive Partnership in Program Operation***

Participants’ overall experiences with the policy process were rather positive. Despite the problem definition and policy designs are in the hands of the province, data suggested that there are some degrees of flexibility in administering the Ontario Works at the level of the municipality.

***Horizontal cooperation.***

The cooperation and willingness of the province allows the municipality to have some degree of flexibility in policy implementation:

*“Even since the introduction of Ontario Works, they (the province) move a long way in opening up the legislative parameter and their control (on Ontario Works). But it is not there in all cases yet... Still they are listening to us. The benefits cost upload (of Ontario Works) is one of the good examples.” [Participant 06]*

*“There were some changes (on the part of the province), especially over the past several years. They (the province) are more willing to work with us. Every single CMSM (Consolidated Municipal Service Manager) or municipality delivers OW (Ontario Works) is somewhat different. We (municipalities) stay in terms of the provincial legislations and apply the OW legislations. But it is how we deliver in our office is different.” [Participant 07]*

Community-based organizations also reported that the municipality was willing to work with them and had regular consultations with them regarding how to make Ontario Works more relevant in the local context:

*“We (the municipality) are a member of the community. We have to interact with the community and let them understand what is going on. Otherwise, we are narrow-minded in our thinking.” [Participant 05]*

*“They (the municipality) meet with us several times a year. They (municipality) knew that only us (community-based organizations) could identify the local issues and could be able to come up with the solution. You cannot just get an outside consultant from Toronto to solve a local problem.” [Participant 03]*

*“The municipality did talk to us....sometimes they (the municipality) made alternations of the programming....I did feel we (community-based organizations) make small changes in the big picture.” [Participant 15]*

In contrast to general belief, Ontario Works recipients have found their caseworkers very helpful. However, the rules and regulations of the program were very cumbersome that was beyond the comprehension of most program recipients.

*“I see what’s most helpful is my caseworker. She has a heavy workload but is still very patient with me.” [Participant 07]*

*“She (caseworker) is great. She helped me navigate the system and treated me with respect.” [Participant 08]*

*“You never understand all the rules and (how) you broke the law.....I was working part-time. One day I was told that I have lost my drug plan (from Ontario Works) because of my income from work. I need my medication (in order) to go to work... I got no option. I did not work from then on.” [Participant 09]*

#### ***Upload the benefit costs to the province.***

In regards to the new provincial-municipal fiscal arrangement over the benefit costs upload of the Ontario Works, participants from the council of the municipality and social services department did not see that there would have any significant changes over the provincial-municipal relationship.

*“People think that the province will give us the money (after the upload) and allows us to distribute the money the way we want to is unrealistic Since the province puts forward the money, they (the province) would like to have a say on how the money goes forward.” [Participant 01]*

*“The upload would not change the basic relationship (between the municipality and the province) related to the program (Ontario Works)... Even with this change (upload), at the end of the day, it is a provincial program (Ontario Works). I am not a believer that municipalities should pay a bigger role in redistribution. We (municipalities) do not have the fiscal capacity (for redistribution).” [Participant 04]*

On the other hand, the upload has raised some concerns among community-based organizations. They were afraid that the municipality would be less accountable to the local level.

*“If part of the costs is shared by the local community, the municipality might be keener and more responsive to us. When the money is from the province, it might make the municipality less accountable to the local level.”[Participant 01]*

### ***Theme Three: Provincial Standards but with Local Relevance***

In response to the question of how to make the income assistance program locally specific, participants have generally agreed that the province should set the policies and standards across the board, but should allow municipalities more flexibility in policy implementation in accordance with the local conditions.

#### ***Provincial standards.***

Participants from the municipality council and social services department agreed that municipalities should be respectful to the provincial jurisdiction. Ontario Works is a provincial program that the province should provide standards and guidelines.

*“We (the municipality) are only delivering Ontario Works for the province. We are the administrator only. They (the province) set the priority and policy.”[Participant 02]*

*“I am not a believer of a local government should set its own welfare rate. There is a need to be a standard of care across the province. At the end of the day, it is a provincial program (Ontario Works). They (the province) make the policies, set the standards, and provide the guidelines. Of course, the policy must have the flexibility in response to local conditions. That’s best achieved by the province setting the broader goals, objectives, and standards and allowing municipalities to deliver basing on the local context.”[Participant 04]*

*“You have to be fair to the participants (of Ontario Works) that come to anybody’s store (Ontario Works office). So there have to be somewhat*

*standardization across the board. If they (Ontario Works recipients) go to Toronto, they should be getting the similar amount of standard service as (they would have received) in Windsor or North Bay.” [Participant 07]*

*“We (the municipality) are really respectful of the strong provincial parameter (over Ontario Works). You can complaint of the province, but I think it is equally important to be respectful for the magnitude of what they (the province) have tried to accomplish.” [Participant 06]*

Participants on Ontario Works and members from community-based organizations have the similar response as well:

*“I agreed there should be a standard (set) by the province. It is a matter of fairness.”[Participant 12]*

*“That (Ontario Works) still need to have a standard across the province that people are entitled to be treated as a human being.”[Participant 14]*

*“It is the question of how we could pull away (the income assistance program) from the large scale standardization (of the province) to more regionally specific. But we have to realize that OW (Ontario Works) is a provincial program. They (the province) will always set the standards. It is their job.”[Participant 15]*

### ***Local relevance.***

Participants agreed that the province should be responsible for problem definition and policy design of Ontario Works; nevertheless, municipality should be allowed more flexibility in administering the program according to local conditions, which in return helps to build a sense of local community:

*“We (community-based organizations) could identify local issues...We provide so much community support for people on OW (Ontario Works) and they get the appropriate help. We have a very good success rate. It is definitively the result of the work of the municipality and us.”[Participant 03]*

Other participants from community-based organizations further elaborated the importance of more flexibility in policy implementation at the local level:

*“It is important that the municipality should have influence (over the Ontario Works) at the local level.....the province should come to the table with municipalities.....Of course there should be a standard (set by the province). But once we agreed upon a common goal like all folks on Ontario Works deserve healthy diet. Then the province set the standards of what constitutes a healthy diet... like people need a certain amount of protein in a day. Within that guidance, the municipality comes up with a plan with us (community-based organizations) on what it takes to achieve the goal here.”[Participant 14]*

Similarly, participants from the municipal government suggested that policy implementation should take the unique local context into account and the province should allow the municipality to work together with community-based organizations for a local solution:

*“There should be a consistency in the policy. On the other hand, there should be that piece that is made in local because we (the municipality) have a different priority in our community than somebody else. So it is really that balance between the policy standard and local implementation.”[Participant 07]*

*“Thunder Bay has a much different set of demographics and service requirements than Toronto. So the provincial scheme has to have the standards to be consistent but also allow a certain degree of flexibility at the level of the municipality. That is the art of the policy design and policy implementation.”[Participant 04]*

*“How do we make the Ontario Works more local?...is to continue to push the province to reflect that we are not only the other order of government; we are equal funder in some of the programs, sometimes we are the bigger funder, but even more important than that is we have more accountability to the local taxpayers. We would like to build a sense of community here.”[Participant 06]*



In addition, participants have suggested that Ontario Works should be implemented along with other programs for achieving its policy goals:

*“We (the municipality) then will achieve outcomes within the given flexibility (in policy implementation). (Now) we are very active in many committees working with community service partners...to working more aggressively upstream to support people not entering poverty. We create a whole range of that kind of support and a strong sense of community partnership.”[Participant 04]*

*“There is a change of the course over the last 10 years for Ontario Works. It (Ontario Works) shifted from being a stand-alone function of trying to do the best job for the community to being as one of the many programs as available in the community. A good example is that, we don’t just deliver Ontario Works but we also deliver homeless program. We stay very close to our community not only from a strategic perspective but also from an operational perspective.”[Participant 06]*

*“We (community-based organizations) cannot just focus on employment. Ontario Works need to integrate with other services. Addiction and mental health services are two very good examples. Some of them (Ontario Works recipients) need support to face their addiction or mental health challenge first. We have to acknowledge these barriers for employment.”[Participant 05]*

Participants from social services department have further provided a concrete plan on how to make Ontario Works more responsive to the local level:

*“That’s best achieved by the province setting the broader goals, objectives, and standards and allowing municipalities to deliver basing on the local context....We do annual service plan of Ontario Works based on the local needs and priorities which tends to stay aligned with the provincial priority. That kind of partnership is very important. The way we develop our service plan is to understand what our client needs are. And that community services have the expertise to endorse our strategy and service plan. We are building a community besides providing services.”[Participant 04]*

*“There are more we (the municipality) need to get done is to bring in local business planning into Ontario Works and make it more local... For example the problem of homeless, we have emergency shelter here, this is a pilot project funded by the province, but places like Huron and Elgin whatever places they don’t have the emergency shelters and still have the homeless people (and they*

*are on Ontario Works).....So the responses in Huron and Elgin are different as would be in here. But the same goal is to help people on the program (Ontario Works)! This is how we make it more local.”[Participant 05]*

There is a concern in the literature that welfare provision disparity might lead people to move around for better benefits (Peterson, 1981). Nonetheless, data from this study suggested that localized Ontario Works would not lead people hopping from a city to another city. Community support and social network of the Ontario Works recipients might be lost as a result of moving to another city.

*“My family is here. I (Ontario Works recipient) got the support from them. You cannot survive for just (depending) the money from the Ontario Works. If I move I lose everything.”[Participant 10]*

*“This is my community. I was born here. I hate losing my roots.”[Participant 13]*

Other participants have elaborated the concept of localizing the Ontario Works. Municipalities could have more latitude on how to deliver the program, but the entitlements, criteria, and welfare rate should be set by the province. It would then lessen the concerns over mass migration due to disparity of welfare services across the province.

*“We are not talking about the actual money in people’s hands; we are talking about the ‘soft piece’ – the program service, not the welfare rate. The rate should still be set by the province. It is the quality of services that makes every municipality unique.”[Participant 07]*

*“There are a number of factors that migrates people. I don’t see any data suggested that because we have more discretion over welfare programs; we end up with a high influx of people to our city....There is no expedia.ca for Ontario Works recipients to shop around.”[Participant 04]*

*“(Even with a different welfare rate) they (Ontario Works recipients) are going to have the same standard of living because the cost of living is different*

*between cities. They might get more money in Toronto, but they find that the rent is higher and the food costs more. They end up with no much difference.”[Participant 14]*

For better summarizing the results in this chapter, the major themes are presented in Table 2:

Table 2. Themes identified in this study

| Research Questions | Values behind the Policy                                       | Policy Process   | Suggested Model                               |
|--------------------|--|--|---|
| Themes             | Temporary Income support                                       | Positive partnership in program operation                            | Provincial standards but with local relevance |
| Sub-themes         | -Employment program<br>-Should only serve the right population | -Horizontal cooperation<br>-Upload the benefit costs to the province | -Provincial standards<br>-Local relevance     |

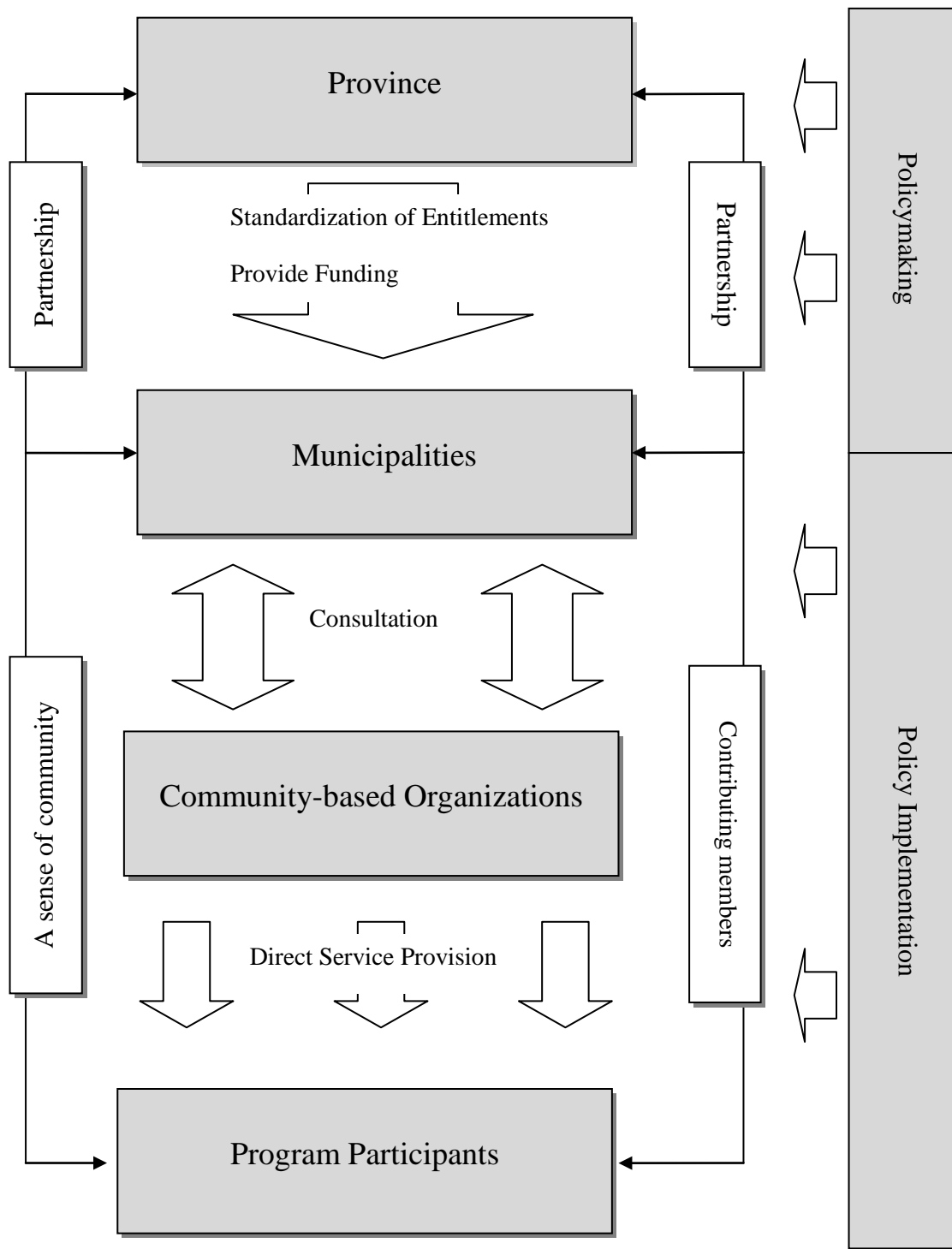
## CHAPTER 4: DISCUSSION & CONCLUSION

Discussions will be around the research questions of this study: the role of redistribution at the municipal level, values of the policy, policy process, and the service provision model. Already, results from this study have addressed our research questions in the following:

- Municipalities might not have the legislative and fiscal capabilities for redistribution at the policymaking level but could play an active role at the policy implementation level (question of redistribution);
- Participants understand that Ontario Works is an employment training program with temporary income support as the last resort (question of the values behind policy);
- A very positive partnership has been found between the province and the municipality and between the municipality and community-based organizations in program operation. Also a sense of community at the local level could result from a policy process based on good cooperation (question of the policy process);
- A responsive service provision model at the local level is the one that policies, standards, and guidelines should be set by the province but the municipalities be allowed more flexibility in the implementation (question of the service provision model).

For the convenience of our later discussion, a schematic outline of the service provision model is presented in Figure 1.

Figure 1. Schematic presentation of the suggested service model



### ***Role of Municipalities in Redistribution***

Municipalities are not in a position for redistribution at the policymaking level due to their limited legislative and fiscal capabilities. Still, municipalities could play an active role in redistribution at the policy implementation level. This finding is consistent with the current literature: municipalities might not have much influence on redistribution at the policymaking level, but they are able to make valuable contributions, including redistributive functions, at the policy implementation level according to local conditions. Peterson (1981) argued that municipalities do not have the financial resources and political parameter for redistribution. Rather, they usually select policies that do not have negative economic consequences. If municipalities call for redistributive policies, such as better housing or improved welfare benefits, they will recommend that the policies be decided and funded by the higher order of government. Sancton (2002) further elaborated that if municipalities are to be in any sense government of their respective communities, they must be involved in a wide range of governmental function including redistribution at the local level.

As suggested from the data in this study, this can work if the province controls tightly through regulations regarding the creation of minimum standards of Ontario Works and quality of services of the income assistance program. But such central control must always leave room for some local flexibility. Otherwise, there is no point in having any local control and contributions to a national program. For example, the policy design should be set by the province, and municipalities could integrate other local retributive programs such as shelter for homeless to the Ontario Works. It makes sense that municipalities must be entangled in the aspect of provincial policies that affects their cities.

Moreover, the concern over the mass migration of Ontario Works recipients due to welfare services disparity was not substantiated in this study. That is, localized Ontario Works program would not lead people to move around for better benefits. The experiences of

Scandinavian countries also supported that there is no strong indication of direct link between the number of recipients and the municipality's degree of flexibility on redistribution at the local level despite their municipalities are responsible administratively and financially for social assistance programs (Lien & Pettersen, 2004).

### ***Values behind the Policy***

There is a consensus that the Ontario Works is an employment training program with temporary income support as the last resort; however, the program should only target those who are employable and help those with challenges in the job market to make easy transition to other social assistance program such as Ontario Disability Support Program.

The philosophy behind Ontario Works primary focuses on paid work; every citizen should be a monetary contributing member to the community. The linkage between job and productivity in terms of monetary values are deeply rooted in our society after industrial revolution (Giddens, 1994). As discussed in chapter on the *Literature Review*, the current workfare paradigm has greatly influenced the welfare policy of Ontario (Chunn & Gavigan, 2004; Harles & Davis, 2005) and has consequently guided the policy goal and the policy design (Pal, 2010). Nonetheless, policymakers should acknowledge that there is still a large number of caseload on Ontario Works who are having multiple barriers for employment in the job market.

When the Ontario Works was introduced in 1997, social assistance recipients have dropped significantly in the first few years, but the caseloads became more stabilized since 2001 (Herd, Mitchell, & Lightman, 2005; Herd, 2003). For examples in the City of London, Ontario, the caseload size of Ontario Works was 25,671 (people) in 1997; whereas the number dropped to 19,257 (people) in 2001. The caseload then maintained at 17,973 (at 2002), 17,769 (at 2003), 17,700 (at 2004), 17,528 (at 2005) and 17,027 (at 2006) (City of London, 2007). Similar situation

is found in Waterloo Region, Ontario, the caseload size of Ontario Works was 14,023 (people) in 1997. The number dropped to 7,177 (people) in 2001, and then maintained at 7,040 (at 2002), 6,776 (at 2003), 6,389 (at 2004), and 6,175 (at 2005) (Region of Waterloo, 2006). Given the restrictive eligibility criteria for social assistance programs and the stable caseload of Ontario Works since 2003, one could hypothesize that recipients after 2003 are chronically unemployed with a variety of challenges.

Already, the report *Review of employment Assistance Programs in Ontario Works & Ontario Disability Support Program in 2004* suggested that we should understand the diversity of the caseloads on social assistance programs. Transition should be made easier for recipients from one income assistance program to another program. For example, for those who are chronically on Ontario Works program but have multiple barriers for employment and have disability issues should be shifted to Ontario Disability Support Program (Matthews, 2004).

### ***Policy Process***

The concept of partnership with different stakeholders for a localized approach on welfare is constantly raised in this study. Such a concept is in congruent with the notion of dynamic relationship between actors of policymaking and policy implementation (Pal, 2010) and the democratic theory of *New Public Service* in building a sense of community at the local level (Denhardt & Denhardt, 2000). Even more, this kind of multi-stakeholders dialogue and partnership will increase the accountability, transparency, and legitimacy of both policymaking and policy implementation (Granberg, 2008).

Even municipalities have limited degree of influence over the problem identification and policy design at the policymaking level, the positive dialogue between municipalities and the province allows both sides understand the strengths and constraints of each other and what would



be the mix or the degree of flexibility in policy implementation which allows municipalities to address the local concerns. Furthermore, municipalities' partnership with community-based organizations is crucial for localized Ontario Works in response to their community needs. Community-based organizations, chamber of commerce, and representatives of Ontario Works recipients should regularly come to the table and discuss with the municipality over welfare policy implementation. The consultations with pluralistic stakeholders from the community for the municipal annual business and service plan are a feasible and concrete proposal for a made in local solution. Also, such consultations and the consequent adjustments in policy implementation help to build a sense of community as well.

#### ***Localized Social Assistance Service Provision Model***

A responsive service provision model to the local level is the one that policies, standards, and guidelines should be set and fully funded by the province but municipalities be allowed more flexibility in policy implementation (refer to Figure 1). In other words, Ontario Works should be provincially financed and municipally administered, but the latter should have a greater degree of discretion in policy implementation. This new role indicates that municipalities should have the discretionary authority over policy instrument settings. That is, how provincially-funded social assistance program is administered along with municipally-funded programs? This proposed welfare delivery model is consistent with the national ideology, existing policy framework, and current administrative practice in social assistance administration in Ontario.

It is part of welfare ideology in Canada that the higher level of government always assumes the role of redistribution (Harles & Davies, 2005). Welfare assistance provided by provinces is stipulated in the Constitution in 1867 of Canada. The assumption of this moral authority by the provinces leads to different responses of Canada from the other developed

countries, such as United States, in welfare program reductions in the 1980s and 1990s (Harles & Davies, 2005).

Apart from the moral high ground, it is, as discussed in earlier sections, only the provincial government has the resources to support social assistance programs across the province. As property tax is the mainstay of municipal revenues (Tindal & Tindal, 2004), municipalities are not financially capable to support welfare programs. For instances, one third of the Ontario Works caseload in London was sole support parents in 2007 and half of children caseload were under the age of 7 (City of London, 2007). Without working with the province for an affordable day care program, municipalities are financially constrained to help these sole support parents depending on welfare to work outside the home.

The suggested social assistance provision model is consistent with the existing literature regarding theoretical framework on policy change. Hall (1993) suggested that the paradigm embedded into the value system of policymakers (third order) is very resistant to change. Instead, the policymakers are more willing to make compromises on instrument settings (first order). Since the current paradigm on welfare policy is stressing on self-reliance, the policy goal is focusing on helping individuals to access employments accordingly. Ontario Works is then the logical policy program design. As such, any measures to make the workfare nature of this income assistance policy less punitive (or re-shape the program as suggested in the data) and more responsive to the local context should be focusing on the instrument settings and policy implementation rather than on the problem identification and policymaking. This practical change strategy focusing on the instrument settings would probably increase the feasibility of this suggested model within the current provincial-municipal power relationship. For example, the emergency shelter service (a provincially-funded but municipally-initiated project) mentioned in this study for the Ontario Works recipients is a very good example of the instrument setting

adjustments at the level of policy implementation. The municipality has provided other local programs to help Ontario Works program achieving its own goals in policy implementation.

Administratively, municipal governments have a long tradition of responsibility for the administration of social assistance in Ontario and administer the programs with flexibility (Kwok & Tam, 2010; Peck, 2001). Studies have reported that the directives of Ontario Works have 938 pages of detailed rules and procedures for its management. Municipalities, nevertheless, in cooperation with the community-based organizations, could always find rooms to make it flexible in its implementation (Marquardt, 2007/08). For the suggested service model, the province could maintain the mandatory requirement of unpaid community work for Ontario Works recipients in exchange for benefits; however, municipalities could decide what kind of unpaid jobs the welfare recipients could take. In fact, it is already the current practices of municipalities in terms of finding community unpaid work placements for Ontario Works recipients. According to a provincial report in 2004, over 90 percent of municipal governments have placed Ontario Works recipients in unpaid community placements without the prior approval of the Ministry of Community and Social Services (Office of the Provincial Auditor, 2004). The flexibility in the administration of the rules also helps municipal governments to explore more opportunities with local business and industries for securing employment placements for Ontario Works recipients. As such, municipalities could provide more employment training support in response to the needs of local economy (Region of Waterloo, 2006).

In sum, the primary research questions raised by this study have been addressed. It is the province has the legislative legitimacy and financial resources for redistributive policymaking. Nonetheless, municipalities could make valuable contributions to redistributive function in policy implementation at the local scale. The redistribution at the local level is very legitimate since municipalities must be entangled in the aspect of provincial policies that affects the lives of residents in their communities. Therefore, a service model has been proposed that policymaking

of welfare is in the hands of the province, but municipalities should be allowed a greater degree of flexibility at the level of policy implementation according to the local conditions.

### *Limitations*

This study has two major limitations in terms of participant recruitment and research site selection. First, members of the provincial government are not included in this study. This is a study on the province-municipality relationship at the role of redistribution. Absence of stakeholders from the provincial government has excluded the perspective from the province that could be an important input for the suggested service model. This researcher has attempted to include Members of the Provincial Parliament of Ontario related to social services during the data collection period. However, the researcher has not yet received concrete responses or feedback within the timeline of this study.

Second, the chosen research site is a mid-size municipality in southwestern Ontario. Readers are cautioned to generalize the findings to other small or large municipalities in Ontario. For example, the consultation process and partnership relationship with community-based organizations are more complicated in a mega city like Toronto due to the more diverse and greater number of social service providers in the community.

### *Conclusion*

The upload of the Ontario Works benefit costs to the province has re-opened our interest to look at the role of redistribution at the municipal level. Findings of this research suggested that municipalities could have an active role of redistribution in policy implementation at the local scale and leave the policymaking to the province. In addition, the findings present a service model

that municipalities be allowed a greater degree of flexibility in policy implementation in response to the local needs but also should in line with the provincial policy and priority. At the beginning of this report, we have asked what the exact correct mix of flexibility is to meet local conditions and at the same time maintain similar benefits for people in similar situations in different parts of Ontario. This study then has responded this question by providing us a preliminary service provision model at the local level.

This study is finished and the report is completed. Nonetheless, it is only the beginning for this researcher to tackle one of the persistent questions in public administration: Even though both the province and municipalities have same goal for the betterment of the residents in the province, what are the elements to ensure the attainment of the same goal besides giving more flexibility to municipalities?

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**APPENDIX 1****Role of municipal government in redistribution: a study on Ontario Works**Invitation Letter

March 1, 2010.

Dear Sir/Madam,

I would like to invite you to participate in an individual interview for this research study, which is part of the requirement to complete my master's degree in public administration in the University of Western Ontario. In this study, I am planning to interview stakeholders of the social assistance programs in Ontario (e.g., Ontario Works). Stakeholders include policy-makers, administrators, service providers, and recipients of the social assistance programs.

The major purpose of this part of the study is to solicit your views regarding your experience with the social assistance programs. I am particularly interested in your perspectives regarding a promising way to deliver social assistance programs at municipal level. Each interview will not take more than two hours of your time and written consent is required prior to the interview.

The information collected will help us to understand the views of different stakeholders of the social assistance programs in Ontario. We expect the findings will be useful to policy-makers and service providers to explore a promising service delivery model in relation to social assistance programs in Ontario and eventually serve better the service recipients. The study is a timely project given that Ontario government begins to upload all benefit cost of Ontario Works to the province in 2010 and complete in 2018. It opens a window of opportunity for exploring a new service delivery model of social assistance in Ontario.

Your participation in this study is entirely voluntary. You can refuse to answer any question you do not feel comfortable with. You can also choose to stop the interview at any point. If you are a service recipient, withdrawal or refusal to participate will in no way jeopardize any services provided by your current service providers. If you withdraw your participation from the research study any information collected about you will be destroyed. To assist in our data collection, the interview will be audiotaped with your permission. However, you can request the recording to be stopped at any point during the interview. The information you provide throughout the entire interview will be kept confidential. All identifying information will be removed from your research files and a pseudonym will be used to refer to you. Without your written permission, no personal identifying information will be revealed in reports of this research. For further questions concerning matters related to this study, please contact me at 519-4333491 extension 4574 or e-mail: [skwok33@uwo.ca](mailto:skwok33@uwo.ca).

Sincerely,

Siu Ming Kwok

## APPENDIX 2

**Role of municipal government in redistribution: a study on Ontario Works**Consent Form

I agree to participate in the individual interview of the above-named study. I understand that this study is to solicit my views regarding my experience with and/or my comments on the social assistance programs in Ontario.

I understand that my participation in this study is entirely voluntary. I can refuse to answer any question I do not feel comfortable with. I can also choose to stop the interview at any point. If I withdraw my participation from the research study, any information collected about me will be destroyed. I understand that in order to assist the data collection, the interview will be audiotaped with my permission. However, I can request the recording to be stopped at any point during the interview. The information I provide throughout the entire interview will be kept confidential. All identifying information will be removed from my research files and a pseudonym will be used to refer to me. Without my permission, no personal identifying information will be revealed in reports of this research.

My signature on this form indicates that I understand to my satisfaction the information regarding participation in the research project and agree to participate as a research subject. If I have any questions or issues concerning this project I can contact the researcher of this project, Siu Ming Kwok at 519-4333491 extension 4574 or e-mail: [skwok33@uwo.ca](mailto:skwok33@uwo.ca).

I understand the information provided to me above, and agree to participate in the individual interview.

|                                   |                         |       |
|-----------------------------------|-------------------------|-------|
| _____                             | _____                   | _____ |
| Participant's Name (Please Print) | Participants' Signature | Date  |
| _____                             | _____                   | _____ |
| Witness' Name (Please Print)      | Witness' Signature      | Date  |

A copy of this consent form has been given to you to keep for your records and reference.

**APPENDIX 3****Role of Municipal Government in distribution: a study on Ontario Works**

## Interview Guideline for Municipal officials and Policy makers

***About Ontario Works***

- In what capacity, do you (your department) relate to Ontario Works and what is your understanding of Ontario Works (e.g., its goals, the components of Ontario Works).
- Were you (department organization) actively involved in the discussion and implementation of Ontario Works? If do, do you feel you (your department) have any influence over Ontario Work?
- How important do you think it is to hear from local community organizations for delivering Ontario Works at local level?
- Is there a common practice of consulting local community organizations for Ontario Work implementation (e.g., community place program)? If yes, what is the frequency and nature of these consultations?
- What would be the best way for Ontario Works got input for improving its operation and delivery?
- How could Ontario Works operation be more relevant and responsive to the local context (e.g., the local employment rate and job market)?

***About Ontario Works and redistribution at the municipal level***

- Ontario Works costs will be uploaded to the Province as part of the graduated upload that will last until 2018 (the municipal government used to share 20% of the cost of benefits from local property tax). What is your opinion on this uploading in term of affecting the service delivery of the Ontario Works for local residents?
- How much discretion do you think the municipal government could set its own eligibility criteria and benefits for Ontario Works recipients for local residents by taking account the social and economic context at the local level?
- There is a saying that if municipal governments could set their own eligibility criteria and benefits for social assistance program (e.g., Ontario Works), people in financial need might pour into the municipalities that provide more benefits. On the other hand, municipal governments in Norway are responsible administratively and financially to social assistance programs. There is no strong direct link between the number of recipients and the generosity of municipalities. What is your opinion on this?

**APPENDIX 4****Role of Municipal Government in redistribution: a study on Ontario Works**

## Interview Guideline for Social Service Providers

*About Ontario Works*

- In what capacity, do you (your organization) relate to Ontario Works and what is your understanding of Ontario Works (e.g., its goals, the components of Ontario Works).
- Were you (your organization) actively involved in the implementation of Ontario Works? If do, do you feel you (your organization) have any influence over the operation of Ontario Work?
- How important do you think it is to hear from local community organizations for implementing Ontario Works?
- Is there a common practice of consulting local community organizations for Ontario Work implementation (e.g., community place program)? If yes, what is the frequency and nature of these consultations?
- What would be the best way for Ontario Works got input for improving its operation and delivery?
- How could Ontario Works operation be more relevant and responsive to the local context (e.g., the employment rate and market)?

*About Ontario Works and redistribution at the municipal level*

- Ontario Works costs will be uploaded to the Province as part of the graduated upload that will last until 2018 (the municipal government used to share 20% of the cost of benefits from local property tax). What is your opinion on this uploading in term of affecting the service delivery of the Ontario Works for local residents?
- How much discretion do you think the municipal government could set its own eligibility criteria and benefits for Ontario Works recipients for local residents by taking account the social and economic context at the local level?
- There is a saying that if municipal governments could set their own eligibility criteria and benefits for social assistance program (e.g., Ontario Works), people in financial need might pour into the municipalities that provide more benefits. On the other hand, municipal governments in Norway are responsible administratively and financially to social assistance programs. There is no strong direct link between the number of recipients and the generosity of municipalities. What is your opinion on this?

**APPENDIX 5****Role of Municipal Government in redistribution: a study on Ontario Works**

## Interview Guideline for Program Recipients

*About Ontario Works*

- In what capacity, do you relate to Ontario Works and what is your understanding of Ontario Works (e.g., its goals, the components of Ontario Works).
- Do you feel you have any influence over the operation of Ontario Work?
- How important do you think it is to hear from you and/or local community organizations for implementing Ontario Works?
- Is there a common practice of consulting you and/or local community organization for Ontario Work implementation (e.g., community place program)?
- What would be the best way for Ontario Works got input for improving its operation and delivery?
- How could Ontario Works operation be more relevant and responsive to your needs?

*About Ontario Works and redistribution at the municipal level*

- Ontario Works costs will be uploaded to the Province as part of the graduated upload that will last until 2018 (the municipal government used to share 20% of the cost of benefits from local property tax). What is your opinion on this uploading in term of affecting the service delivery of the Ontario Works for you?
- How much discretion do you think the municipal government could set its own eligibility criteria and benefits for Ontario Works recipients for local residents by taking account the social and economic context at the local level?
- There is a saying that if municipal governments could set their own eligibility criteria and benefits for social assistance program (e.g., Ontario Works), people in financial need might pour into the municipalities that provide more benefits. On the other hand, municipal governments in Norway are responsible administratively and financially to social assistance programs. There is no strong direct link between the number of recipients and the generosity of municipalities. What is your opinion on this?