



**FAMILY SERVICE ONTARIO
SERVICES A LA FAMILLE-ONTARIO**

**COMMISSION ON THE REFORM OF ONTARIO'S PUBLIC SERVICES
"THE DRUMMOND REPORT"**

IMPLICATIONS FOR FAMILY SERVICE AGENCIES

February 2012

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Introduction

The Drummond Commission's mandate was to advise the government on how to slay the deficit dragon, (without raising taxes or venturing into sacred territory eg: the constitutional right to have two separate school boards in the province). This is an almost impossible task without cutting services and jobs – a politically difficult situation for the government – especially a minority government! The recent Angus Reid survey showed that 57% of Ontarian's oppose cuts in services and 87% feel that job creation is the best way to fight the deficit.

This Commission was set up by the Liberal government prior to the election, in some measure to deflect the attention from the recession and budget deficit. Possibly a smart political move at the time. But the music has to be faced eventually.

Mr. Drummond says that all of his recommendations have to be implemented if the government is to succeed in its deficit dragon slaying. We already know that is not going to happen eg: the Premier has said clearly that full-day kindergarten is not going to be cut. But the government - all parties for that matter - want fiscal responsibility. So which recommendations do get implemented will depend on political palatability, the information gleaned from the pre-budget consultations, and the pressure put on the Liberals by the opposition parties.

The reality is that the current fiscal year's deficit is projected at \$16 billion. This will grow to more than \$30 billion by 2017-18. The government owes \$214 billion now and this debt will increase at current spending rates to \$411 billion by 2017-8. Clearly, we are spending way beyond our means. And something rather drastic has to happen or we will end up where the US is heading, and where several European countries are already.

This means that increases in funding in one area have to be offset by savings in another so that the bottom line is virtually break even. So if social service spending is to increase by the proposed .5% and health spending by the recommended 1-2.5% to 2017-8, then everything else has to decrease by about 2-4% to compensate.

The NDP has criticized the Report for being too focused on cuts and not enough on generating revenue. Drummond has recommended increased taxes on gasoline, alcohol and cigarettes. But to be fair, their mandate did not include revenue generation and many of the recommendations are aimed at finding efficiencies and eliminating duplication.

The Premier has made it very clear that these are recommendations only. And the government is not likely to do anything that will get them in political trouble. As mentioned above, they have already rejected the recommendation to scrap full-day kindergarten. And they have also announced the freezing of hospital CEO wages. Not too many people would be offended by these announcements. More challenging will be the recommendations to freeze public sector salaries, including physicians, and force teachers to retire later, with less support and administrative staff in the schools and with more kids in the classroom. Try selling those recommendations to the OMA or the teachers' unions.

The provincial budget will come down in March, and we will have a clearer picture then about the recommendations which the government is prepared to move ahead with.

Highlights

Below I will highlight some of the main recommendations that affect family service agencies, and provide a perspective on the political road ahead, which is going to be rather bumpy for the Minister of Finance, not to mention the Ministers of Education and Health. They will be looking for positive news scenarios because they may have unpleasant messages to deliver to sectors with powerful lobby groups that will certainly object to the implementation of many of Drummond's recommendations.

1. In December FSO sent Mr. Drummond our **Walk-In Counselling** proposal and followed up to make sure it was being looked at. I quote from the second paragraph of Chapter 5 of the Report. "As a step towards relieving the pressure felt by ERs from patients with mental health and addiction issues, more walk-in clinics and FHTs (Family Health Teams) should be equipped with counselling clinics". The Report references FSO's Walk-In Counselling proposal and further states, "...a strong underlying contributor to frequent visits to the ER appears to be mental health and addiction issues." Our proposal of course did not recommend funding counselling clinics at FHTs but the point that the Report has supported our proposal is a positive sign for us.
2. **Merge the CCASs (Community Care Access Centres) into the LHINs** to better coordinate community services.
3. **Bring the Family Health Teams under LHIN jurisdiction** to give the LHINs more authority to coordinate and oversee primary care. The government has already indicated that it wanted to do this, and now they have more fodder for this move, which is likely to be opposed by the OMA and the FHT physicians. It is not clear if this change would entail moving the funding of FHTs through the LHINs as opposed to direct OHIP funding from the Ministry, as at present.
4. **Restrict hospitals to institutional services** and not try to venture in to the community to provide services ie: leave community services to the community service agencies.
5. Shift the focus of health services away from expensive settings such as hospitals and long term care facilities and **provide more support for home care and community care services**. "Do not apply the same degree of fiscal restraint to all parts of health care. Some areas, including community care and mental health, will need to grow more rapidly than the average" the Report says. So don't build any more long term care facilities. And implement the Walker Report, *Caring for our Aging Population and Addressing Alternate Level of Care (ACL)* recommendations. These recommendations are aimed at reducing wait times for admittance to an acute care hospital bed from the Emergency Room, providing increased community-based care for seniors in their homes, and moving seniors more quickly out of acute care beds and into the community with appropriate supports.
6. **Divert patients who don't need a physician to more appropriate service providers eg: nurse practitioners and personal support workers.**

7. Limit increases to social assistance (ODSP and Ontario Works) to .5% through to 2017-8, and merge these two programs and continue to have them delivered at the local level. And include EO (Employment Ontario) in the consolidation to offer a greater link between getting a job and getting off welfare. A spinoff benefit would be the reduction in stigma if the same office offered both employment assistance and social assistance.
8. Do not cut health or education spending, but limit the annual increase to 1-2.5%.
9. Reduce the number of community agencies through mergers/amalgamations. We have already seen this in the Family Service network in Simcoe County, York Region, and in Windsor. And we have seen it with the Children's Aid Societies in the child welfare sector. Signs of it have also emerged in the adult mental health sector in South Western Ontario. And Mr. Drummond is recommending more of it, particularly in the child and youth mental health sector.
10. Public health has been downloaded to the Municipalities for many years in Ontario. The Drummond Report recommends that the province take over public health, similar to what they are doing with social assistance.
11. For agencies that receive funding from government for specific programs (this would include VAW, PAR, LHIN funded programs for mental health, addictions and seniors, and developmental services etc.) make the funding contingent more on outcomes and the reduction in administrative overhead. This will not be well received by agencies who feel they are already under too much scrutiny and that there are already insufficient administrative dollars accompanying program grants.
12. Increase the opportunity for multi-year funding agreements to better allow planning at the community service level.
13. Set up an overseeing and coordinating body to manage the many diverse children's and adult mental health services in the province, possibly similar to the Cancer Care Ontario model. This was already recommended by the Select Committee on Mental Health and Addictions over a year ago.
14. Reduce the number of union bargaining units. The Report recognizes that small employers do not have the resources to conduct lengthy negotiations with small bargaining units. Reform is necessary. If implemented, we could see the creation of a centralized bargaining unit for all transfer payment agencies and other social service sectors.
15. Continue the current government initiative to shift funding for services to people with disabilities from transfer payment agencies to service recipients, thereby increasing their independence and reducing overhead. If families are going to get 'direct' funding, this means agencies are going to have to compete to provide services for families. However, families will be given the option to have the agency manage their funding for a fee. This is happening now with the combined Passport/Special Services at Home programs.
16. Continue to evaluate the need for youth justice facilities, and close them if they are underutilized or if supports can be provided more effectively in the community.

SUMMARY

There are several recurring themes in the Drummond Report. In order to tackle the deficit many efficiencies have to be found and streamlining has to take place in the health and social service sector. Specifically;

- Shift the focus and funding from institutions to community-based services
- Streamline services through amalgamation of agencies and programs such as OW and ODSP
- Continue to fund health and education at current levels but revamp the systems to find cost efficiencies
- Don't increase taxes
- Freeze government salaries as well as those of employees in the broader public sector
- Increase the mandate and the authority of the LHINs

The main themes for Family Service agencies are:

1. The LHINs will become more powerful, with an expanded mandate. Making the link with the LHINs is critical for FS agencies.
2. Opportunities such as we have with the Walk-In Counselling proposal have increased and the Drummond Report has recommended its implementation. But there are other entities such as CHCs and FHTs that the government might look at to deliver this service. We need to be cognizant of this possibility and lobby even more strongly for support for this program at FS agencies.
3. Community agencies will not likely see much if any funding increases from government. In order to manage overhead costs, we need to be conscious that funding bodies like the government, United Way and others, will continue to encourage mergers and the pooling of administrative support.

Several of these changes were previewed in Minister Matthews' statement on January 30. There is no doubt that the Minister had seen Drummond's recommendations and worked them into what they are calling *Ontario's Action Plan to Transform Health Care*.

These are just highlights from an initial review of the Drummond Report. More in depth analysis is required to truly appreciate the subtleties of this mammoth 500 page report. It is broad in its scope and sweeping in its recommendations. Which ones the government will have the political will to implement remains to be seen.

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