

Opening up Canadian Federalism the European Way
Coordination of Employment and Pensions Policy
April 14th, 2014, Vancouver, BC

Workshop report by George Benson, University of Victoria Student Rapporteur

On April 14th, 2014, almost 40 individuals gathered at the BC Teachers Federation Offices in Vancouver, BC, to consider the European Union's Open Method of Cooperation (OMC) and its possible application to Canadian employment and pensions policy. Because of the distinctiveness of pensions and employment policy, the workshop broke into two groups to discuss the issues in greater depth, and reported back to discuss their findings. The discussions centred on the applicability of the OMC approach in Canada, where much of employment and pensions policy was characterised by unilateral action on the part of the federal government. Many of the participants expressed a frustration with what they felt was the federal government's intransigence, though offered that provincial policy making had many of its own failings. The OMC, particularly from the perspective of community stakeholders, was felt to be a positive model given its greater potential for shared learning and enhanced cooperation.

Dr Amy Verdun, Professor and Jean Monnet Chair Ad Personam from the University of Victoria, offered some opening comments on the OMC. Because social policy is national competence in the EU, it is a very guarded area. Nevertheless, both the EU and member states use the OMC to help coordinate and, as much as possible, to converge their social policies. This has also meant that there is more room for stakeholders (Non-Governmental Organisations (NGOs), business, unions, etc.) to be present in social policy formulation. As a result there has been less replication and more learning between jurisdictions in the EU.

Philippe Pochet, the Director of the European Trade Union Institute, noted that the OMC emerged out of growing financial constraints in the EU – in particular in the run-up to the creation of Economic and Monetary Union (EMU). Progressive forces and parties within the EU felt that market forces were going to 'hijack' the EU and put undue pressure on marginalised peoples, and so they tried to tie together progressive activists in order to sidestep the harsher impulses of market forces. They wanted social policy across the EU to converge, meaning that while member state competences did not change, the policies would be linked through mutual understanding and a sense of common purpose. Pochet outlined the early difficulties of working towards the same goals with different resources, but underscored the European belief that transcendent best practices do exist. This assessment is based on the understanding that policies formulated with all relevant actors present have a far greater chance of succeeding. Through the system of committees for technical experts and joint-analysis between different actors, he noted the vast scale of learning that has occurred, both for the EU as an institution and for all participants in the process.

Discussions after Pochet's comments focused on the applicability of the OMC to the Canadian context. The EU was geared towards centralisation at the moment, while Canadian provinces and the federal government were clearly drifting apart. What could be done? Pochet offered that while learning was clearly difficult, the efforts to build a model with enhanced stakeholder participation and social policy convergence were undoubtedly better than further fragmentation.

Employment policy and labour market development offered some particularly intense discussions. Dr Donna Wood, from the University of Victoria, started things off by detailing her research in employment policy. She argued boldly that "Canada has lost the habit of having national conversations." For

employment policy, this is particularly true, as after administrative changes in the 1990s, greater provincial control has emerged, with fewer pan-Canadian linkages and reduced policy coherence. The great crime, as argued by all of the panellists, was the unilateral federal action on the Canada Job Grant. Norma Strachan, Director of ASPECT (a network of BC employment agencies), noted that she and her provincial government counterparts had found out about the Job Grant programme via a news release. This is the kind of unilateral policy action on the part of the federal government that has made coherent, effective labour market development policy so difficult. The 49 bilateral federal-provincial-territorial agreements remain – with separate federal agreements with indigenous peoples – and service delivery remains uneven, uncoordinated, and inarguably failing those who need it most. Dr Sharon Manson Singer offered a strong critique of what she felt was the inherently competitive framework of Canadian policy-making. Workshop participants agreed that this has caused fragmented employment policies across the board. The OMC was felt to offer the promise of stronger stakeholder engagement and less dramatic unilateral action, but all participants felt that it was unlikely the current federal government would be responsive to such a regime. Many noted that it would limit their powers in a certain sense and runs contrary to current neoliberal ideological impulses that are feeding today's Canadian politics.

In the discussions around pensions, Dr Patrik Marier, of Concordia University, explained the convoluted, concurrent policy attempts in pensions policy by federal and provincial governments. Historically a provincial area, it was transferred to the federal government with provincial agreement. Since the devolution of more and more responsibilities to the provinces in the 1990s in a variety of social policy areas, he noted a growing insularity among provinces and that they seem to be uninterested in learning from one another. Likewise in the EU, there was a real lack of information about different systems before the OMC method was used. Policy makers and stakeholders now have enhanced knowledge about the European pension landscape and increased stakeholder participation (something Canada is very lacking in, even in something as simple as government-level gender diversity).

The Canadian landscape, as Weldon Cowen from the Federation of Post-Secondary Educators of BC said, offers both challenges and opportunities in this sense: there is greater initial similarity already, and OMC-like processes have worked in the past - particularly in the 1960s and during the time Paul Martin was Prime Minister - but the political climate is particularly ugly right now. The “three legged stool” of pensions today makes this type of coordination harder, too: there is the Old Age Security/Guaranteed Income Supplement and the Canada Pension Plan, and occupational pension plans and personal savings. These overlapping jurisdictions mean that there is a greatly reduced willingness to cooperate, despite the growing need. The federal government seems to be fundamentally uninterested in coordinating a national conversation on pensions and so anything ‘national’ is mostly about saving defined pensions, rather than formulating better policy.

The participants agreed that the routinized aspect of coordination through the OMC was useful as it kept governments and stakeholders accountable, rather than things fading, as they have in Canada since the 1990s with changes in governments. The Council of the Federation was raised as a potential avenue through which meetings could be held to keep each of the provinces and the federal government accountable. Through it, data could be shared, best practices learned, and a greater sense of a shared project could be developed. It was felt that success could be found in a ‘reframing’ of the pension issue, coupled with OMC-style discussions between stakeholders, which could lead to national understanding and (hopefully) nationally-oriented policies.