

New Century, New Risks:
Challenges for Social Development in Canada

A Report by Tara Lyons
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The first plenary focused on new social risks. **Céline Le Bourdais** (McGill University) discussed the impact of demographic changes. She argues that the decrease in fertility rates in Canada is problematic because of the aging population and therefore there is a need to encourage young women to have babies. She also claimed the decrease in marriage rates is problematic because more women are co-habiting which is problematic for children born into such environments because these homes are apparently less stable.

The distinction between co-habitation and marriage is that couples in the first category are sharing domestic work and paid work, but not sharing economic resources while those in the latter category share bank accounts. The Supreme Court recently ruled that co-habiting couples do not have to share assets when they separate. This has an impact of more incidences of poverty among children.

She also talked about 'blended' families as difficult to locate and analyze statistically. She argued that blended families are problematic because:

- They are difficult to live in (I am not sure why)
- children are not in a good environment because they are circulated between households (I disagree since this may not be a strictly negative experience for children)
- they have resource issues
- create difficulties in providing services: schools and hospitals have to deal with two families
- the roles are not well-defined, she gave the example of step-dad (again, I am not sure why this is inherently negative, it could be also be a part of positive experiences for some kids)
- the priority is given to biological parents

The next presenter, **David Green** (UBC), talked about changes in the labour market and argued that too much weight is put on human capital policy and that there are persistent increases in market inequality. He demonstrated that the probability of staying in the same income distribution is increasing (those in low-income have less chance of moving out, and likewise, those in higher income distributions are more likely to stay there).

He critiqued moves to education policy because 1) we have tried this policy in the past and, yet the gaps between incomes are getting larger and 2) the promise of education policy has not been realized because at the same period of time of these increases in education, high school wages dropped.

He suggested that we move from the question: How to use human capital for redistribution? to How do we do redistribution in the era of human capital policy?

The last speaker of this plenary, **Peter Hicks** (Social Development Canada), focused on the distinction between low paid workers and the working poor. He argued that most low paid people are not poor (i.e., because they live with people who are higher paid), and that the working poor are more likely to be self-employed or to have an atypical work schedule. The working poor make approximately 12\$ per hour, which is above minimum wage, therefore we would have to double minimum wage to make any difference.

His other key argument was that family characteristics are key determinants of low income among workers (i.e., couples without children are less likely to be poor). Therefore, even if wages were doubled we will still have the problem of poverty because of family status.

He identified five poverty 'at-risk' groups

- 1) recent immigrants
- 2) single mothers
- 3) aboriginal peoples
- 4) unattached people aged 46-54
- 5) dis-abled persons

Four Observations:

- 1) framing policy agenda is not done well
 - to bring family considerations in does not sit well (because it perpetuates and re-enforces traditional family/gender roles)
 - maybe policy should not be about poor and vulnerability; instead we should have two agendas A) bad jobs and marginalized work and B) poverty and vulnerability that deals with family and where one is in their life.
- 2) need to address family characteristics (i.e., caregiving responsibilities), but we are not used to deal with this in policy
- 3) researchers need to be clear about vulnerability and poverty (which are relations concepts). The norm is dual earner couple; therefore, poverty is defined according to this standard. How can a single person earn enough when poverty is defined by two earners?
- 4) Be extremely cautious in analysis linking economic and social aspects.
Integrations is central to address issues of the working poor

During the question period **Jane Jenson** highlighted the risk of elderly populations arguing that the family is left to care for aging family members and they need financial support.

David Green emphasized the risk of breaking the world into the deserving and the undeserving poor.

After this initial plenary I attended the Breakout Session Family Risks.

Sarah Fortin (Institute for Research on Public Policy) asked how does the new family environment (outlined by **Le Bourdais** above) influence family policy? She argued that kids are the new public figures and are therefore, now the target of family policies, unlike in the past when the male breadwinner was the target.

New policy issues:

- 1) challenge to earn enough and care enough
- 2) childcare policies
- 3) educational care (i.e., early childhood education)

How much of the new focus is due to family labour market transformation versus the new role of the state? How much is an ideological shift? Insuring against risk versus providing people tools to manage on their own.

She said the two keys to future policy are research and politics.

Next, **Jennifer Sinclair** (First Nation Family and Child Caring Society) asked where First Nations peoples fit into the statistics and demographics presented in the first plenary. She argued that there is a disconnect between aboriginal peoples and mainstream populations that needs to be narrowed.

There is a disconnect between where policy is made and what is actually happening in the north, in aboriginal communities. She argues that this disconnect starts at a lack of knowledge and understanding. How are people supposed to work towards a better life when we still have residential schools? From 1995-2001 the number of aboriginal children on reserve that were put in institutional care increased to numbers greater than during the residential crisis.

Recommendations are rarely implemented and asking for help does not mean that the communities are not doing anything. In contrast they are working in their communities without funding.

She asked how can we close this divide and make aboriginal voices equal to voices in the mainstream in order to influence policy?

Her suggestions for future policy are more aboriginal research by aboriginals (following the OCAP principles) and more holistic approaches to family policy, not just a focus on children.

Plenary Two: Governing Social Development in the 21st Century

Judith Maxwell (Canadian Policy Research Networks) argued that there are four actors: family, state, market and community, and that these are not balanced. Community and family are under more pressure they are under capitalized, have too much responsibility, and there is huge inequality across communities in their ability to deal with problems.

Why?

Because of the centralization of power, the exclusion of aboriginals and missing tools (i.e., there is no history of citizen participation in Canada), and the federal, provincial and territorial relationships are not working well.

Three Challenges

- 1) renouncing federalism
- 2) creating holistic place-based policy
- 3) do not have public spaces for national and local conversations where people and leaders are problem-solving

When she was asked how is it possible to ensure marginalized voices are heard and have input she suggested intermediaries in the communities. She also used the Tamarack Institute as an example of the process of learning from each other.

Theodore Marmor (Yale University) argues that these are not new risks, but old risks. We still have the problems of unemployment, medicare, injury, and the impact of family size on income. What is new is the transformation of the family from the ideal (traditional) image.

He argues that the greatest danger to the contemporary welfare state is the thinning out of why we have a welfare state in the first place.

Plenary Three: New Century, New Directions

John Myles (University of Toronto) presented “The New Inequalities of the Post-Industrial Life Course and What to do about them”. He argued that post-industrial economies produced low wage jobs and workers, but he suggests this is not new since Canada has a history of low wage architecture.

How earnings are distributed has changed. The biggest change being when and how one begins adult life. In the past, adulthood began early while now more adults live at home and are marrying and having children later in life. He argues that this is because post-industrial economies are knowledge-based economies.

He demonstrated that the relative earnings of young adults have decreased and that the risk of being poor in the first year of life has been increasing since the 1970s. Another trend is that well-educated people are more likely to marry each other now than in the past and it appears this trend will continue.

He argued that the world is different today than for the baby boomers with high inequality in market incomes. He suggests the necessity of financing and the need to think about taxes as well as spending.

His suggestions are increasing minimum wages by working longer. He suggests returning retirement age to 65 because this generation is living longer and can therefore work longer.

John Stephens (University of North Carolina) discussed Third Way policies. He argued that these policies deal with new social risks—they are not new policies—which are similar to Nordic welfare state policies.

He defined Third Way (based on Green-Pederson, van Kersbergen, and others) as having three features:

- 1) micro-economy stability—budget surpluses across the economic cycle
- 2) wage moderation
- 3) supply side policies
 - creation of jobs
 - active labour market policies
 - goal to promote higher rates of labour market participation

The goal is high employment, not just low unemployment. Why? Because this results in more people paying taxes and less people using benefits.

He also presented ratios of employed to all others (youth, unemployed, etc):

1.10 to 1.0 Sweden

.91 to 1.0 USA

.89 to 1.0 Canada

.59 to 1.0 Italy

How? Women's employment is the main reason for cross-national differences in employment; therefore, he argues there is a need to raise levels of women's employment. Consequently, women need to be able to combine work and children, if not women will have less children.

The question becomes how to raise fertility levels and women's employment levels? The answers:

- A) parental leave policies
- B) public daycare or subsidized private daycare policies
- C) more public service employment
 - a. decrease employment protection legislation (to reduce insider/outsider divide)
 - b. facilitate part-time work and de-regulate retail working hours

Bruno Palier (Centre de recherches politiques de sciences) argued that the welfare state is a victim of its own success. Policies are more expensive and economic growth is not as strong as at the end of the 1970s. The post-industrial economy has less productivity gains, and changes in the labour market (types of jobs, mobility), and changes in the economic policy paradigm (not the same as the neoliberal revolution of the 1980s).

When the welfare state was developed in the 1940s economic and social policies were seen as compatible. In the 1970s and 1980s, it was thought that new economic and social policies were needed.

There has been a move to supply side policies. In the past, unemployment was understood as because of demand deficit (unemployment was seen as an access problem and because of lack of competitiveness); the problem was on the demand side. Now, the unemployed individual is not a collective issue—they are seen as characterized by a lack of individual motivation and supported by social benefits (unemployment insurance policies). There became the new interpretation of unemployment as supply side. Therefore social policies were perceived as negative. More evidence of this Third Way move to supply side policies is the single European currency. He argues this move is not only about currency; it is to ensure member countries accept the same political criteria. For example, to have supply side policies such as open competition.

He argues that we need to re-think social policies on new model of economic growth because we cannot use traditional Keynesian policies. In Europe, by the end of the 1970s, Keynesian policies on economic recovery were deemed as failed. Economic changes of the 1990s have impacts on social policies.

What's next?

The activation models of unemployment. Some of which focus on job placement, assisted/subsidized jobs.

He concluded that each solution has to be adapted to specific countries and that the role of social policy is changing.

Next, **Jane Jenson** (Université de Montréal) argued that neoliberalism moved away from Keynesian principles. She identified three elements of neoliberalism:

- 1) rebalancing of roles across major sectors (family, community, market, state)
- 2) commitment to increased employment rate among both women and men (Keynes and Marsh were only committed to full employment for men)
- 3) decreasing deficit by targeting sustained expenditures

Lesson #1

Canada could not remain neoliberal—moved into post-neoliberal. Four characteristics of post-neoliberal:

- 1) limit of focus on employment because people are working but are still poor (i.e., working poor—cf. Peter Hicks, David Green above)
- 2) the neoliberal focus on markets cannot meet all the demands
- 3) fight against deficit replaced with social investment
- 4) family and communities are stressed

To achieve social development in post-neoliberal we must realize that our economic development depends on social development. In knowledge-based economies we need:

- investment in training
- to be able to balance work and family
- flexible workers

Our economy needs:

- to produce human capital
- to support and add to incomes of those whose earnings do not meet their needs
- care available in new economic and family contexts

Therefore, we need a new social architecture.

Lesson #2

Jobs are not sufficient to ensure income security for all. Therefore activation policies are necessary but insufficient because the level of employment is at its highest in Canada, yet families' incomes remain in trouble. Families need two earners and consequently less time to meet their basic needs.

Activation policies need to go beyond employability and focus more upon the quality of work. Since knowledge-based economies require flexible workers new ways to protect vulnerable workers are needed. How?

There is a tendency for governments to supply family supplements/credits, which are not sufficient because they do not produce services (i.e., services de soin). Jobs are more than incomes—they are the place for social benefits (health, dental, holidays).

Lesson #3

A new social architecture has to do with more than assuring income security and sharing risks. We know welfare state regimes have always also been regimes that address the distribution of social care. Now families are not able to care enough because:

- they need time in addition to money
- family and work transformations have de-stabilized past assumptions about social care
- new social architecture has not dealt with this issue

Why is social care difficult to incorporate into post-neoliberal? Because vulnerabilities are more prevalent. She asks whether these vulnerabilities (parents of children with disabilities, families taking care of elderly relatives) are the responsibility of only the market and family or are they also a social responsibility. She argues that it is also a social responsibility.

General Impressions

The photo on the conference itinerary featuring non-able bodied people, people of colour, and youth was not an accurate representation of people attending the conference, people presenting at the conference, nor topics covered at the conference. I was struck by how under-represented groups such as aboriginal peoples, rural people, youth, non-white peoples were in the audience and in the discussions. The conference was dominated by those who traditionally hold power and there was no discussion or reflection of the implications of those excluded.

There were only brief mentions by audience members of the needs to increase affordable housing, the need to focus on diversity, the problem of the short-term focus of policies, the question of what institutions are necessary in order to respond to new risks, and the impact of social policies on the environment.

The assumptions in most of the presentations seemed to be that one social policy fits all Canadians. I regard this as highly problematic and it is unfortunate that the discussion at this conference was so limited.