New Economy + New Society = New Social Policy

Friday, July 25, 2003 – Canada, like all developed countries of the West is characterized today by an emerging new economy and, equally important but less acknowledged, an emerging new society.

The new economy brings with it a demand for new skills, for adaptability and flexibility in the job market, and also new risks, like the polarization of those with lower and higher skilled jobs, of single-earner and double-earner families, and the exclusion of low-wage and other vulnerable workers.

The new society, among other things, brings high rates of female participation in the workforce and new challenges and risks, like the challenge of balancing work and family, the risk of social exclusion from the information society, and the risk of low-income and poverty for single-earner families.

The emerging new economy and society require a social policy re-design to respond to the new risks and to meet the new challenges.

In an address to the Statistics Canada Economic Conference 2003, *Canada in the North American Context* in Ottawa in May 2003, Jane Jenson, Director of CPRN's Family Network and Canadian Research Chair in Citizenship and Governance at the Université de Montréal, examines these changes and the appropriate policy response.

She compares the U.S. and European models – the "enabling state" and the "social investment" state. The "enabling state" puts an accent on "work first", enabling individuals to enter the labour market, and support programs often tied to having earned income. The "social investment state" employs measures to make work pay, but combines them with quality social policies to support adaptability through life-long learning, provides aids to vulnerable workers, fosters social inclusion and invests in children through quality services and higher family incomes.

As Canada seeks its own answers, Jenson concludes that the "enabling state" model doesn't go far enough beyond its reliance on the economy and labour market. It fails to see social policy as a necessary support to the new economy. Canada needs to broaden its Innovation Strategy to include innovative social policy.

You can access or download a copy of Jane Jenson's presentation, ***Canadian Economic and Social Policy: North American OR Mid-Atlantic?***

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