

Is Human Capital(ism) Making Labour Policy Obsolete?

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Policy within a
Human Capital Framework

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An elaboration of these themes will be the
subject of a paper by Jane Jenson and Denis
Saint-Martin, forthcoming in Spring, 2002:
*Welfare State Redesign and Social Citizenship:
From Ford to Lego?*

Revolutionary Changes:

- In Markets and Technology
- But Institutions and Policies Are Path-Dependent
- Policy Changes More Evolutionary than Revolutionary

The *Third Way*'s New Human Capital(ism)

- *Third Way* as the 'Political Midwife' of the Knowledge Based Economy
- But New Focus on Human Capital Means that 'Old' Issues Concerning Trade Unions, Collective Bargaining, Industrial Conflict No Longer Represent Pressing Political Problems –There Are no Strikes These Days

The Social Investment State

- Requires that Social Expenditures be Focused on Areas Where Returns are Maximised in the Form of Social Cohesion and Active Participation in Labour Market
- As With All Investments, Implies Taking a Long-Term View of Cost and Benefits

When Lego Replaces Ford

- Greater Investments in Children as Future Bearers of Human Capital

What Consequences for Labour Policy?

- Self-Employment and Non-Standard Work Are Eroding Middle-Class and Unionized Labour
- How Investments in the Human Capital Future of Canada (i.e. children) Help Address the Needs of Parents and Adults Now?
- Labour Policy as an Instrument for Fostering Social Cohesion

The New Economy:

- Highly Polarized, with the ‘Symbolic Analysts’ at the Top and ‘McJobs’ at the Bottom
- Silicon Valley Workers Do Not Really Need Labour Policy

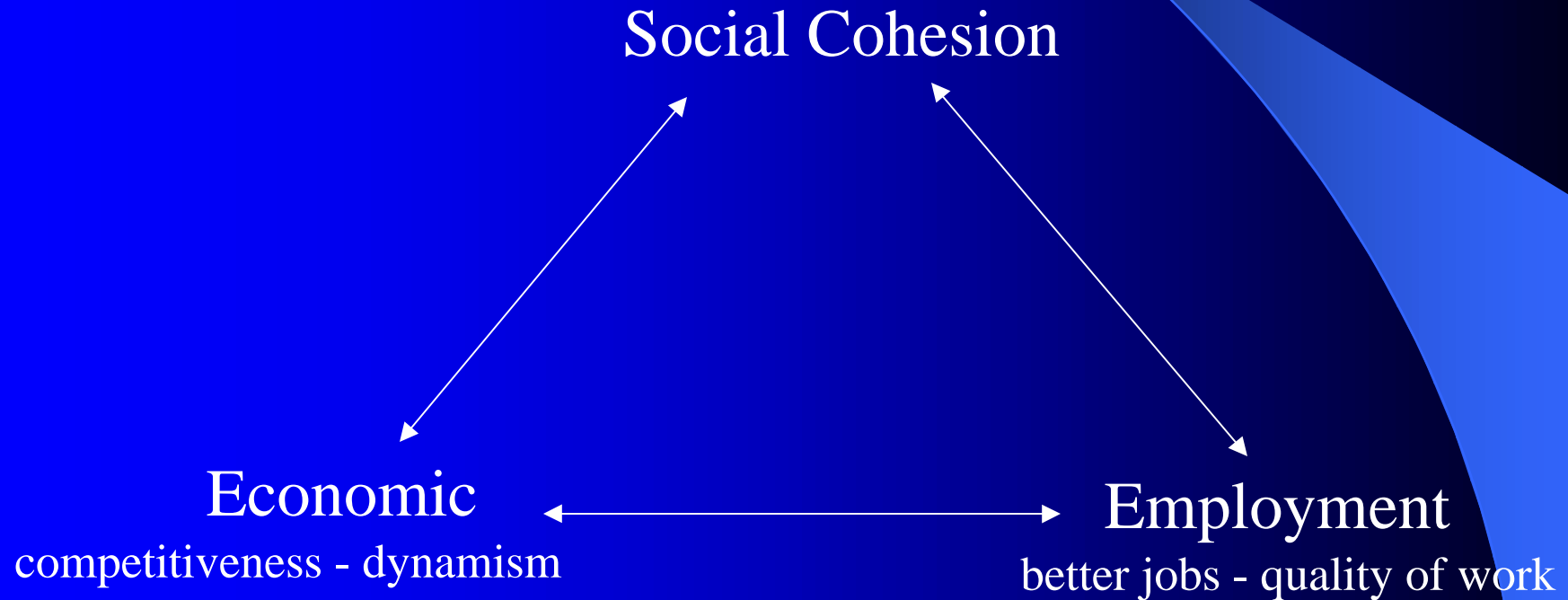
'More Jobs' as the Key Policy Focus

- Activation of Social Policy Has Brought More People Into Labour Market
- Gender Revolution Associated With Rising Labour Force Participation of Women and Two-Earner Families
- Jobs Creation Strong in 'Caring Sector'

From 'More Jobs' to 'Better Jobs'

- If 'More Jobs' Mean 'Poor Jobs' This Will Not Help Social Cohesion
- Shift Toward 'Better Jobs' Bring New Role for Labour Policy
- Quality of Work

Quality: the Link Between Competitiveness and Cohesion



Quality Dimension Includes:

- Equal Opportunities
- Gender Equality
- Flexible Work Organization Permitting Better Reconciliation Between Work and Family
- Employee Involvement in Working Life

Labour Policy and Quality of Work

- Social Dialogue Needs to Include New Partners
- Shift From Tripartism to Multipartism
- Shift From Collective Bargaining to Social Partnerships