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## Two Policy Paradigms: Family Responsibility and Investing in Children

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This discussion paper extends the analysis carried out in *the Best Policy Mix for Canada's Children* research program in two ways. First, it expands the coverage of policies to all 10 provinces. Second, it identifies and maps the consequences of new patterns of policy thinking about the responsibilities of families and governments for the well-being of children. Therefore, the paper consists of an analysis, accompanied by Appendices that provide detailed inventories of current programs directed towards children, and families with dependent children, in Canada.

In the 1980s and even more rapidly in the 1990s, new programs with "child" or "children" in the title have proliferated. The provinces and the federal government, individually and at times together, have all begun to address children's needs in a more comprehensive fashion, seeking to develop more integrated services. They also have reformed their public administration, setting up new ministries and agencies responsible for children. The focus on children is a welcome change, but it is not totally unproblematic. There are also some downsides to the shift in emphasis, in the form of new policy silences and challenges.

Moreover, to say that children occupy a central place in policy discourse does *not* mean that children are necessarily better off or that everything promised is being achieved. Child poverty rates remain high. Increases in income transfers have begun to reduce the depth of child poverty, but there is still a gap.

This paper describes this shift in policy focus, by comparing two policy paradigms. The purpose in speaking of "paradigms" is to clarify a change in thinking that is sufficiently widespread that it makes a contribution to reshaping the social policy regime. This paper does not seek to provide a complete analysis of Canada's "welfare regimes." Rather, it focuses on four issues, by describing the response to the following questions in each paradigm:

- Who has responsibility for child well-being?
- What is the logic of access to income transfers and benefits for families with children?
- What assumptions about the labour force participation of parents shape this thinking?

- Which services and supports exist for non-parental child care and child development programs?

The first paradigm, well installed by the 1960s, is termed the "Family Responsibility Paradigm." Its hallmark is that parents are almost solely responsible for making decisions about their children's well-being. The role of public policy is to facilitate their decision-making by allowing a range of options to emerge. However, finding the necessary money to support certain options is also the responsibility of families.

Income transfers (for example, social assistance), Employment Insurance, the tax regime, and services all take one key relationship into account - that of adults to the paid labour force. The tax regime and other policy instruments are used to allow families to choose full-time parental child care or to choose labour force participation. Adults' access to benefits and services depends on their labour force status. In the 1970s and 1980s, this paradigm also made room for gender equality, facilitating women's equal and equitable access to the labour force by helping to ensure that child care responsibilities would not hinder their participation.

The instruments upon which this paradigm relies - such as employment leaves, tax deductions, and subsidies for child care costs - are still in use. The paradigm underpins a number of recent innovative actions including: the federal government's decision to substantially increase paid parental leaves within the Employment Insurance regime; Quebec's draft bill that would extend parental insurance to almost every new working mother, as well as offer a separate paternity leave; and the extension of unpaid parental leave in most provinces from, for several, 17 or 18 weeks to 35 to 37 weeks and, in some cases, up to 52 weeks.

The notion that policies could simply facilitate parents' decision-making has become less sustainable in recent years, however. One set of reasons is found in the challenges of restructured labour forces and family life. Parents' options have narrowed. Most families need two salaries or two incomes in order to provide for themselves and their children. In addition, in the 1990s, the labour market failed to provide sufficient market income. During the decade, the number of poor children living in working families rose abruptly, while the number of poor children overall also rose dramatically.

A second set of reasons that this paradigm was judged too limited came from the knowledge base of experts who focused on the potential contribution of early childhood initiatives to the well-being of all children. The justifications emphasized both the need to lessen the risks associated with socioeconomic disadvantage and the knowledge that all children benefit from educational preschool programs. Third, reassessments of income security began to focus on the unintended negative consequences associated with programs designed for other times, and in particular the creation of the "welfare wall." The end result of that rethinking was that practically everyone was designated as employable, including lone parents caring for young children. Incentive structures were altered to "make work pay" and facilitate the transition into work.

Such questioning of older practices, as well as ideological shifts and new knowledge, have given rise to the second and newer paradigm, labelled here the "Investing in Children Paradigm." The watchword of this paradigm is investment. Its policy instruments are designed to express this commitment to *investment*, seeking to spend money where it is most needed and where it will

generate a positive return. These policies achieve this by focusing in particular on two aspects of families' needs - income and services.

This paradigm pays more attention to efforts to generate positive outcomes for children. Parents, however, are not the focus and their needs sometimes fall from view. All parents are assumed to be responsible for themselves and for earning their living by their own labour. Gone is the option of full-time parenting except for those who can afford it. Gone too is attention to gender inequalities. Yet the paradigm also envisions a partnership with parents, making the community responsible for investing in children alongside parents.

The second paradigm is being created alongside the first, such that there is a co-existence of two ways of thinking about family responsibilities, social policy, the role of the state, and children's needs - including what they are, who is responsible for addressing them, and who should pay for them.

This paper proceeds through the following steps, each of which forms a section of the document. Section 1 introduces the notion of two paradigms. In Section 2, we present the two policy paradigms in brief, identifying their essential characteristics. We describe the policy content of the first paradigm in more detail in Section 3. Next, in Section 4, we uncover three signs that there is a paradigm shift occurring by mapping adjustments in social policy and governance, as well as in policies directly focused on children. These broad changes have come in response to a set of recent and serious challenges to managing the interface between work life and family life. In Section 5, we document the programmatic content of the emerging paradigm directed towards children, while the conclusion in Section 6 sets the two paradigms side-by-side, assessing the strengths and weaknesses of each.

How might we assess the present state of play, as these two paradigms currently exist beside each other? Is one better than another? Should the second replace the first, or should we fight to defend the old ways? Is it possible to retain the best of both, while eliminating the weak points of each?

Answers to these questions are difficult. They depend on a range of factors, including basic value preferences. The answers also depend on whether the "family" imagined is a two-parent upper-income family, or a two-parent or lone-parent low-income family. Therefore, one way to begin to unpack the complexity is to identify the strengths and weaknesses of each paradigm. By doing so, this discussion paper helps make it possible to think about how to retain the best of each paradigm in a mixed model, rather than forcing a choice between them.

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