



Canada Research Chair in Citizenship and Governance



Components of a Social Architecture for the New Century

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Background

- This presentation was prepared for the conference *New Century, New Risks: Challenges for Social Development in Canada*, organized by Social Development Canada and the McGill Institute for the Study of Canada.
- The conference was held in Montreal on November 18-19, 2004.



The Objectives of Neo-liberalism

- Rebalance roles by re-legitimizing all sectors except the state – that is, increase the role of the market, family and community.
- Increase the employment rate, in particular for social assistance recipients.
- Reduce the state's deficit by targeting any expenditures that the state could not avoid.

What lessons can be drawn?



First and Most Important Lesson

Canada could not sustain its classic neoliberalism; so it is now in a post-neoliberal (PNL) situation...

- Making employability “Job One” revealed the limits of using it to promote income security; we have discovered the working poor.
- Markets do not and can not meet all needs; the OECD has strongly criticized the absence of sufficient programs for Early Childhood Education and Care (except in Quebec).
- “Taming the deficit” has been replaced by “social investments.”
- Families and communities are stressed, with consequences for employers and public institutions, as well as themselves.



What Are the Lessons That Will Ensure Social Development in a PNL?

1. Economic development *depends on* social development

- A knowledge-based economy needs highly trained workers.
- A service-based economy needs employees that are flexible, adaptable, and so on.

That is, the demand is for employees that are well educated but also willing to take precarious work.

And, all this is happening in a society profoundly changed by transformations in the family, demography, and values.



Our Economy Requires Social Politics That Are Able to

- Generate “human capital.”
- Supplement the income of those who have a job but do not earn enough to meet their family’s needs.
- Ensure that care is available, in new economic and family situations.

In other words, we need:

A new social architecture for the new economy and society of this PNL moment.



What Are the Lessons That Will Ensure Social Development in a PNL?

2. Having a job is not enough to guarantee income security.

Social policies promoting activation (everyone into the labour force) are a necessary but not sufficient condition for social development.



The Employment Rate Has Never Been So High, But

- Families need two earners to stay out of low income.*

Therefore, families with a single earner fare badly.

- But, two earners means there is a “struggle to care” well.

Low-income rates* 2002

2-parent, 2-earners 3.0%

2-parent, 1-earner 15.0%

Female-headed
lone-parent, 1-earner 28.2%

*after-tax LICO measure



What Are the Conclusions for a New Social Architecture?

A policy of activation has to go beyond efforts simply to get everyone into work (“any job is a good job”). They must be focused on the quality of the job.

The knowledge-based and flexible economy do not provide sufficient protection yet for vulnerable workers. Providing enough is a question of social justice.



What Can Be Done to Ensure Income Security?

Governments tend to lean towards in-work benefits or tax credits to supplement inadequate earned income.

These are useful policy instruments, but are not sufficient by themselves

A – the market does not always generate sufficient affordable services: think of the lack of child care spaces and affordable home care.

B – a job involves more than a salary; it also needs to provide social benefits and often these are not available to vulnerable workers.



What Are the Lessons That Will Ensure Social Development in a PNL?

3. A new social architecture has to do *more* than assure income security.

We know that welfare states regimes have *always also* been regimes that address the distribution of social care.

Families must be able to care enough as well as earn enough



Family and Work Transformations Have Destabilized Past Assumptions About Social Care

- Child care:
 - not only are parents less available to provide care privately (parental or non-parental), but we understand the need for systems of Early Learning and Care in the new economy.
- Care for vulnerable relatives, whether disabled or frail elderly:
 - demographic, technological and family transformations have generated new possibilities and new needs. Our social architecture has not taken this issue on sufficiently.



Formal Health Care Services Do Not Meet the Needs of an Ageing Society, Where Informal Care Predominates

Care situation of the 27% of Canadians 65+ who have long-term health problems

% receiving

	Informal care	Formal Care	Mix of the two
Age = 65+	41	26	26
Age = 65-74	49	25	18



Caring for Elderly Relatives May Mean Mortgaging Well-being and Social Inclusion

Canadians aged 45-64 caring for an elderly person with a long-term medical condition, who

Have extra expenses	38%
Reduce social activities	33%
Have poorer health	14%
Reduce hours of work	14%
Lose income	9%



Why Is Social Care So Difficult to Incorporate into the New Social Architecture of a PNL?

- Future oriented thinking has become predominant, with an emphasis on “investments”:
 - Social investment *may* be useful, for things such as Early Learning and Care, training and education.
 - but it is not suitable for “thinking” social care for vulnerable citizens or vulnerable workers.
- Such vulnerabilities may not be “new risks” but the risks are rising, *and* therefore they demand a response in any new social architecture.



For a New Social Architecture in a PNL

We need to return to first principles of shared risk and understand that the new economy and new families now make old assumptions about the private (family) provision of care inoperable:

- Do we believe parents of children with disabilities or children of the frail elderly should have to bear all the costs (financial and other) of this risk ?
- Is this a responsibility only of the market and family?



References for More Information

Jenson, Jane. 2004. *Catching Up to Reality: Building the Case for a New Social Model*. CPRN Research Report F|35. Ottawa: Canadian Policy Research Networks. Available at www.cprn.org.

Jenson, Jane. 2004. *Canada's New Social Risks: Directions for a New Social Architecture*. CPRN Research Report F|43. Ottawa: Canadian Policy Research Networks. Available at www.cprn.org.

