

The State of the Social Investment State in the Field of Employment Policy

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Abstract

This article takes issue with a simple history of welfare regimes that divides the post-1945 years into a golden age and an era of retrenchment. Rather, we claim that it is more appropriate to describe three moments in liberal welfare regimes. Essential to this reconceptualisation is the observation of a gradual introduction, since the middle of the 1990s, of new social policies that move beyond the realm of "cuts." They provide new visions of welfare and delineate novel parameters of social discourse and action. We term this the moment of the Social Investment State in liberal welfare regimes. The Social Investment State is not simply guided by neo-liberal precepts, nor is it even simply a reworking of Thatcherite policies. Instead it is a new form of welfare. In order to understand how the recent period (1995-2003) can be distinguished from the period of austerity (1980-1995), this article presents in chronological order the reform of the principal instruments of employment policy used in Canada and the United Kingdom. This new model of welfare, however, is not necessarily without negative effects; the Social Investment State leaves many groups without protection.

Cette article s'oppose à une vision simpliste de l'histoire des régimes d'État providence qui veut que depuis la seconde guerre mondiale, ceux-ci aient connu un "âge d'or" puis une période de "retrait". Nous soutenons plutôt que les régimes libéraux d'État providence ont connu trois moments historiques. En considérant l'introduction graduelle, depuis le milieu des années 1990, de nouvelles politiques sociales qui ne s'apparentent pas à des actions de "coupures des dépenses publiques", nous pouvons caractériser ce troisième moment. Ces nouvelles politiques

sociales fournissent de nouvelles visions du bien-être social et produisent de nouveaux paramètres aux discours et aux actions dans le champ social. Nous nommons cette période "l'État d'investissement social" dans les régimes libéraux. L'État d'investissement social n'est pas uniquement guidé par des préceptes néo-libéraux, ni une version remaniée des politiques tatcheriennes. Il s'agit davantage d'une nouvelle forme d'État providence. Pour comprendre comment la période récente (1995-2003) peut être distinguée de la période d'austérité (1980-1995), cet article présente en ordre chronologique la réforme des instruments principaux des politiques d'emploi utilisés au Canada et en Grande-Bretagne. Ce nouveau modèle de bien-être n'en est pas pour autant dépourvu d'effets négatifs, l'État d'Investissement social laissant beaucoup de groupes sans protection.

Introduction

Current characterisations of Welfare State transformation suggest that the "Golden Age" of the Welfare State lasted approximately thirty years, from its emergence following the Second World War, until its collapse at the end of the 1980s. Employment policies are often drawn on to demonstrate this evolution, as they have been a basis of State intervention in the creation and development of national systems of social protection. In analysing the field of employment policy in Canada and the United Kingdom, we wish to suggest that this periodisation of Welfare State transformation proves insufficient as a means for understanding the changes that have occurred during the post-WWII period.

According to our analysis, there are not two but three periods of Welfare State development within liberal wel-

fare regimes. After the Second World War, both Canada and the United Kingdom instituted the principal tools for the protection of workers. From the beginning of the 1980s these systems found themselves in difficulty. The protections provided were increasingly reduced, notably in the case of employment policy. Since the beginning of the 1990s, however, the social protection of workers has been the focus of new social policies. These reforms of social protection systems are significant, because they frequently move beyond the realm of "cuts" (Daniel and Palier, 2001), and because they provide new visions of social action, and delineate novel parameters of discourse and action. It is this latest period that characterises for us the Social Investment State in the liberal welfare regime. This State can neither be described as exclusively guided by neo-liberal precepts, nor can it be conceptualised as simply a reworking of Thatcherite policies (Schmidt, 2000: 243). This State represents a new form of welfare. This new model of welfare, however, is not necessarily something desirable, as the Social Investment State leaves many groups without protection.

In order to understand how the recent Social Investment State period (1995-2003) can be distinguished from the period of austerity (1980-1995), we will chronologically present the principal tools of employment policy used in Canada and the United Kingdom. The first part of the paper will examine the post-WWII rise of the Welfare State. The second part will analyse the period of austerity. The final section will address the current incarnation of the Welfare State, the Social Investment State, and its negative implications for certain population groups.

Part 1 – The Post-War Period: Protection Against Exclusion from Employment

At the risk of constructing a caricature of the post-war era, one could argue that the British and Canadian Welfare States were established on the foundations of an image of social stability. Within this conceptualisation, the dominant norms were that of stable families with generally, but not exclusively male earner (Lewis, 1998), as a stable wage was characteristic of most employment. Moreover, the labour market was relatively accessible for those who wished to work, and the unemployment rate was generally low (Schmidt, 2000). Thus, the primary risk faced by citizens was exclusion from the labour market as a result of sickness or the incapacity to work due to age (Ewald, 1983).

In the United Kingdom, during the first period, a system of protection against the accidental loss of employment was constructed with the institution of unemployment insurance. Although the Poor Laws and the system of unemployment insurance instituted in 1911 served to protect some workers on a limited basis, the first social assistance system designed to help all those in need was established in 1948. Contrary to the inter-war public assistance that offered material support only to contributors, the new social aid system offered, for the first time, monetary coverage based on need (Hill, 1990: 27). Although attempts (such as the 1966 Supplementary Benefits Commission) were made to remove many of the Poor Laws' residual elements of stigmatisation, social assistance policies retained the old concepts of the 'worthy poor' – those incapable of working – and the 'unworthy poor', who were considered at fault for their own unemployment, and were consequently excluded from certain forms of assistance for fear that it would dissuade them from searching for employment (Social Security Advisory Committee, 1991: 28). With regard to unemployment insurance, the National Insurance Act of 1948 established a system of standard obligatory social contributions, covering unemployment, sickness, maternity and retirement, that were later made income-contingent by the 1973 Social

Security Act.

In Canada, the federal and provincial governments are the principal actors involved in employment policies. The former is responsible for the system of unemployment insurance, as well as for partnering with the provinces in managing employment activation programs, while the provinces, for their part, are responsible for the social assistance system. It was not until 1940 that Canada instituted a system of unemployment insurance that offered identical protection to the unemployed in all regions of the country, although this protection was limited to those employed in industry and commerce. In 1971, the Unemployment Insurance Act added sickness, maternity and retirement as conditions for which one had the right to benefits, and introduced a regional dimension for the calculation of benefits, conditions, and duration of admissibility. Since 1971, the costs of the system grew considerably¹ and the effects of regional redistribution on the configuration of the Canadian economy became increasingly evident. While the Canadian unemployment insurance system appeared more complete and more generous than its British counterpart, provincial social assistance programmes served only to provide the bare minimum for those incapable of working.

Beyond social assistance and unemployment insurance programs, workers in both Canada and the United Kingdom could also rely on education and occupational training policies for economic security. These policies were relatively autonomous from employment policies.

While the male breadwinner model provides an adequate description of the British situation, it masks certain characteristics of the Canadian system, which was always more open to the participation of women in the labour market. In Canada, since the end of the Second World War, women were able to 'choose' not to participate in the labour market and to devote themselves to childcare and housework. The availability of such a decision was recognised by public policy, via both the exemption of taxes for spouses and the particular nature of assistance programs that recognised the right of single mothers to substitute employment for childcare.

Despite its limits, Canadian public policy in this field was aimed to encourage (or at least not to discourage) the wage labour of mothers.

In the United Kingdom, women's employment was comparatively less legitimate. Not only was the question of universal childcare (although addressed by British feminists) absent from the British political agenda during this period (Timpson, 2001: 4), but the maternity leave programme remained very limited until the middle of the 1970s. It was not until 1975, with the introduction of the Employment Protection Act, that maternity benefits became a guaranteed right for female workers, and began to resemble a maternity leave².

By the end of the 1970s, in both Canada and the United Kingdom, 'classical' employment policies had been implemented. Unemployment insurance covered the risk of loss of employment, education and occupational training policies assured good preparation for employment, and the social assistance system took responsibility for those who were incapable of working. At the beginning of the 1980s, concerns began to emerge relating to the viability of these systems. Primary amongst these concerns, and the first to be addressed, were finances. Thus began a period of adjustment at the base of the social protection system, with the unemployed as the first to pay the price.

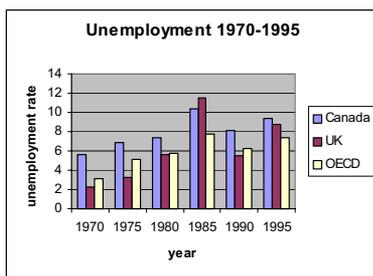
Part 2 – The Period of the Retreat of the State: Personal and Systemic Adaptation to the New Economic Situation

The period between the beginning of the 1980s and the middle of the 1990s was a time of profound change for social protection systems with new links forged between social security and the labour market. Increasingly, benefits became the instruments of employment policy. The purpose of income replacement or minimum income support was overtaken by the development of employability measures. These institutional transformations echoed the changes in types of employment and unemployment that had put into question the logic of post-war employment policies. The substantial increase in unemployment rates in both countries, the appearance of atypical forms of

work, the rise in self-employment, and the massive development of women's employment all created uncertainty about the stability and uniformity upon which traditional employment policies had been based.

The persistence of higher rates of unemployment (as evident in Graph 1) symbolically marked the end of an era, and cast doubt over the notion of full-employment as a realisable objective. More concretely, the phenomenon of massive unemployment exposed the inadequacy of existing social protection systems. The rise in part-time employment, short-contract work, and under-employment³ resulted in an increasing number of workers who were not covered by the unemployment insurance systems designed for a stable, uniform, and accessible labour market. Accompanying the evolution in the nature of employment towards greater contingency and instability, was the idea of the necessity of a reduction in those social expenditures that were deemed unproductive or 'bad' for people (Schmidt, 2000: 234). The intersection of these two elements drove, in large part, the major reforms of the unemployment-insurance system.

Graph 1



Source: OECD Employment and Labour Market Statistics.

Throughout the period, the idea of assuring economic security through insurance became replaced by that of maintaining the 'employability' of the unemployed - promoting the reintegration of the unemployed into the workforce, so that they did not become settled in a state of 'dependence'. The principle objective of these programmes was no longer the protection of the employed worker, but the facilitation of the 'exit' of the unemployed worker from social programmes. Accordingly, it was believed that the unemployed would have an incentive to return to work if they were denied

access to generous unemployment benefits. Moreover, it was thought that 'employability' measures could combat long-term unemployment by conserving a worker's potential, and maintaining their proximity to the labour market. This rhetoric favoured the promotion of two central ideas: that the worker must adapt to changes in the market (rather than the opposite), and that the 'exit' from unemployment is principally the responsibility of the individual.

In the United Kingdom, a qualified approach to these ideas prevailed in the recasting of the system of unemployment protection (Pierson, 1994). The principle object was to reduce the financial aid available to the unemployed. Beginning in the 1980s, accessibility to the unemployment insurance program was progressively reduced and by 1998, only 25% of the unemployed received insurance benefits (Sinfield, 1995). The Jobseeker's Allowance of 1996, which was specifically available to those deemed able to work, included an allowance based on contributions, as well as a non-contributive allowance paid on the basis of income. The old income support social assistance program, therefore, began serving only the unemployed who were not forced into the JSA program (parents with children under 16 years of age, and those incapable of working). One of the major impacts of the JSA reforms was a reduction in the duration of contribution-based benefits, from 12 to 6 months. Moreover, payment of unemployment benefits became increasingly conditional, and could be suspended (Dufour, Boismenu and Noël, 2003). Each unemployed individual was required to sign a contract obliging them to participate in largely underfunded (King and Wood, 1999) training programs, and to accept any job deemed satisfactory. Thus, an attempt was made to surmount the problem of unemployment with policies that focused on individual and family responsibility (Schmidt, 2000: 239).

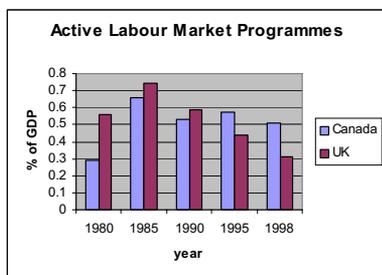
The reformation of Canada's system of unemployment insurance, and the institution of 'employment insurance' (commenced in 1994, achieved in 1997 and modified in 2000), was not simply a demolition of the existing program, but was also a method for the

redeployment of policy for the purpose of attaining three overarching objectives: creating savings, ending regional disparities, and adapting the system to the new labour market realities. In 1990, Bill C-21 introduced changes in the rules of admissibility to employment insurance, and reduced the duration of benefits in relation to the regional unemployment rate. A further decrease in the costs of the regime was generated by the 1993 reduction in benefit rates, and the complete exclusion of those who quit their jobs without a viable reason and those who were 'fired' from receiving benefits. Beyond the cuts in duration, benefits and accessibility, the most apparent innovation of the new employment insurance policies concerned the regulations for calculating who qualified for employment insurance. Under the new regime, qualification was no longer based on the number of weeks worked. Instead, qualification for employment insurance was determined by the number of hours an individual worked during the 16 to 20 weeks (based on regional unemployment rates) prior to unemployment. In 2000, approximately 49.9% of unemployed individuals were eligible for compensation through employment insurance, compared to over 80% who received compensation in 1989 (Statistics Canada, 1999, 2002c). The new system also entrenched differential treatment based on type of unemployment, through the introduction of the concept of the 'rule of intensity'. This rule (abolished in 2000), was aimed directly at the system's regional redistribution dimension, penalising frequent users of the system and thus particularly affecting seasonal workers. The third element concerned the introduction of an income supplement for low-income families. This element reinforced the 'income security' aspect of unemployment insurance by targeting 'those in the greatest need' of benefits, rather than continuing the logic of income replacement. Finally, the new system focused on professional training and employability measures for the purpose of the continual acquisition of knowledge and the adaptation of workers to the demands of the market (Human Resource Development Canada, 1994a and b: 7 and 15). However, the govern-

ment's concrete propositions within Bill C-12 did not address employability measures or training, which was entirely downloaded to the provinces. Re-employment benefits and support were primarily directed toward employers in the form of aid or loans. As a result, employment insurance became a last resort of financial security for those between jobs (Human Resource Development Canada, 1995: 14).

In both the United Kingdom and Canada, despite differences in discourse (with Canada more completely adopting the rhetoric of employability), institutional practices in the management of unemployment can be viewed as a retreat of the State in relation to the protection of the unemployed. Activation measures remained limited, as the primary concern was a reduction in costs (the results of which can be seen in Graph 2). Moreover, the primary focus of employment policies was no longer the employed worker, but was instead the unemployed individual.

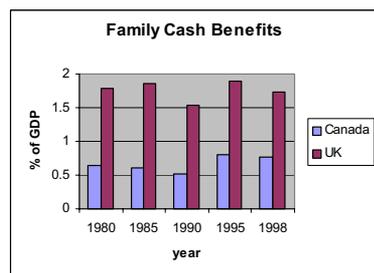
Graph 2



Source: OECD Social Expenditure Database.

As in the case of employability measures, no significant expenditures were made during this period in the area of family-work articulation (see Graph 3), despite escalating needs (Mahon and Phillips, 2002: 192). While the increasing feminisation of labour provoked an acute questioning of the need for childcare, the solutions offered essentially relegated the issue to the

Graph 3



Source: OECD Social Expenditure Database

sphere of the individual and the family. Female employment continued to be perceived as an individual (or family) choice, and consequently the management of issues related to this 'choice' were to remain outside the reach of State intervention.

In Canada, however, measures were taken to support the families of low-income workers. A new conception of the connection between family and work arose, in accordance with which the market became a prerequisite for family support. As Phillips and Mahon have outlined, the idea of establishing a universal childcare system progressively disappeared from government discourse during the 1990s, with the issue becoming increasingly tied to the necessity of unemployed parents re-entering the labour market (Mahon and Phillips, 2002: 205). In the United Kingdom, the second period was marked by a growing acceptance of the employment of single mothers (Randall, 2002: 230). As in Canada, the issue of childcare increasingly attained a distinct significance in a context where the Conservative government wished to fight against the inactivity of the unemployed and the 'dependence' of those receiving social assistance benefits, with the objective of cost reduction.

The principal consequence of the changes in employment policies was a rapid increase in poverty and the appearance of new 'social risks', which would become the target of public policy in the third period. In the United Kingdom between 1995 and 2000, for example, close to 10 million individuals, representing 5.7 million families (20% of the population) received benefits from the Income Support program, compared to 4.4 million people representing 2.9 million families who received benefits from the equivalent Supplementary Benefits program in 1979 (Rhodes, 1998: 54). Between 1979 and 1994, the number of individuals with incomes of less than half the national average doubled from 5 to 10 million (Piachaud, 1998, 1999). In Canada, the intensity of poverty also rose during the 1990s, despite a positive growth in the GDP, and a falling unemployment rate (Picot et al., 2003: 5).

Part 3 – The Social Investment State

Since the middle of the 1990s, the focus of employment policies has returned to employed workers. However, the form that these policies are taking is quite distinct from that of the first period. Employment policies no longer aim to provide protection for all workers against possible job loss, but rather, to ensure that the 'opportunity' of employment exists for all. If these opportunities do not supply a sufficient living wage, other programmes are meant to provide wage support. Alternately, highly-skilled workers have increasingly become the target of discourses concerning the promotion of 'excellence', and the necessity of 'life-long learning'.

With the reduction in unemployment insurance, employment income has remained the principal source of income for the majority of citizens. In Canada in the year 2000, 75% of the total income for families came from employment, and only 12% from government transfers⁴. By comparison, in the United Kingdom in that same year, wages constituted 50% of the total income of families, while 24% of income came from government transfers (United Kingdom, National Statistics Online). According to the OECD, at the end of the 1990s, 8.6% of poor Canadian couples had at least one partner employed, while 3.3% of couples where both partners were working were poor. In the United Kingdom, the rates were 11.5% and 0%, respectively (OECD, 2001a).

Working and remaining poor has become the primary risk to which both States have responded to. Although the unemployment rate has remained low in the United Kingdom (4.8% in 2001) and has continued to diminish in Canada since 1992 (Statistics Canada, 2002), the question of employment quality has become central. During the current period, employment is no longer a gauge of economic security for most working people. Low-wage work has become a risk that employment policies have attempted to address through work support measures such as tax credits. The objective of these policies is not to make work more lucrative, but to supplement wages in order

to allow individuals to remain in the workforce. From this perspective, the objective of compelling everyone to gain and retain employment, which was present in the previous period, has intensified. However, the issue is now posed not as one of the motivation or dependence of the unemployed, but as the possibility of living with a 'bad job'.

At the other end of the employment policy spectrum, new policies aim to support highly-skilled workers in increasing their labour market value through training, facilitating geographic mobility and support for research and innovation. In the United Kingdom, with the election of the New Labour Party, education obtained a new place of priority. There is no longer, however, an attempt to educate the entire population, but to make education a veritable industrial policy, favouring the development of a competitive and high-performance labour force for the context of the 'new economy' and the globalisation of commercial trade (Stedward, 2003: 140). At the heart of this new education policy is the notion of 'life-long learning'. The goal of such policies is to insure the formation of an elite class of workers who will be able to participate in the new global labour market. However, only modest concrete action has been taken.

In Canada, the orientation of education policy has been similar, as is particularly evident in the documents "The Policies of Excellence and Innovation in Canada." (Human Resource Development Canada, 2002; Industry Canada, 2001). These policies aim, in part, to create an elite group of highly qualified workers, primarily in the research and development sectors, as well as creating an elite labour force that is educated, trained in the latest technologies, and competitive in terms of productivity.

Since the middle of the 1990s, the instrumentalisation of social policies for economic ends has become not simply a transitory element, as in the previous period, but an integral element in the renewal of the welfare regime. The investment of public funds in the social domain has recovered a certain legitimacy for those who cannot attain financial autonomy through their participation in the labour market. However,

these social expenditures must demonstrate economic soundness such as long-term benefits or future savings. Their purpose is no longer only to adapt social policies to the flexibility of the market, but to 'influence the social'. This new phase is characterised by a central element, namely, the desire to increase the universality of 'employment opportunities', rather than create full employment.

This objective marks the point of departure for all of the recent measures taken in the fight against poverty (of both children and workers), in work-family articulation, and in education and life-long learning (United Kingdom, 2001). In conformity with the idea of the 'active society', developed during the retrenchment era, work today must be made 'profitable'. Women (particularly single mothers) are to be supported in their entrance into the workforce, those excluded from the market are to be included, and the highly-qualified are to be supported in their efforts to strive for excellence. These new ideas are accompanied by new forms of intervention that take, for the elite worker, the form of the "processes of life-long training", and for the most vulnerable, policies of prevention of social exclusion (Visser, 2000; Begg et al., 2001; Green-Pedersen, 2001; and Ferrera and Rhodes, 2000). The prevention of exclusion is addressed today in large part by measures of low-wage support, aimed at avoiding the exclusion of individuals (in the case of the United Kingdom) or the exclusion of children later in life (as in Canada).

In the United Kingdom, the most empirically significant measure was the adoption of a minimum wage in 1999. Benefits tied to wages were also provided for low-income workers and those who left unemployment assistance and social aid programs. These programmes aimed to promote reinsertion into the labour market through the acceptance of low-paying jobs. The most well known programme, the Family Tax Credit (introduced in 1999) has now been broadened to include all of the working poor, offering a progressive complement to wages, even if the quantity of work is low. In order to get the unemployed to view part-time work

as a preliminary step towards full-time employment, the New Labour Government instituted the Back-to-Work Bonus in which those receiving JSA are also authorised to gain wages up to \$ 2425.80⁵. Along the same lines, the Job Grant serves as a non-taxable allowance of £100 for those returning to work. Furthermore, many grants were made available to enterprises, with the goal of 'making work pay'.

Beyond benefits of this nature, the New Labour government introduced a series of programmes for the unemployed through employment services, in collaboration with the Department of Employment and Education, labelled the New Deal. Also known as the Welfare to Work Programme, it was aimed at, among others, youth, the long-term unemployed, and single mothers, offering them employment assistance and training. Unemployed youth, between 18 and 24, who had been receiving the JSA for six months, had to participate in the New Deal programme of intensive personal counselling and short-term training. If, after the period of assistance, the youth had not found employment, they had to choose between community-oriented service or full-time education in order to retain full benefits (refusal resulted in a 40% decrease in benefits)⁶. While the New Deal involved an obligation to participate in certain programmes, it should not be lumped together with American-style workfare, as it offers a variety of choices, including an option of training, and the jobs it provides participants are not inferior to those of other workers (Kidal, 2001).

In Canada, the employment policy instruments are similar. Since the institution of the National Child Benefit, which aimed to fight child poverty through the supplementing of the parent's income, the principal expenditures by the federal government with regard to employment policy have been linked to low income individuals and parents, rather than all workers. At the provincial level, the reform of the social assistance system during the third period has generally tightened admission criteria and reinforced the training of those receiving benefits, with aid becoming increasingly conditional (Dufour, Boismenu, and Noël, 2003).

The reform of unemployment insurance during the previous period had direct repercussions on provincial assistance, as the severity of the admissions criteria pushed many unemployed individuals into the social assistance program. Those demanding social assistance, therefore, were no longer only those incapable of work. Furthermore, the government abolished the Canadian Assistance Plan (CAP), a federal transfer that had contributed to social services, and replaced it with the Canada Health and Social Transfer (CHST). Accompanying this change was a reduction in transfers of 15.5% between 1997 and 1998 (Roach, 1997: 12), which resulted in the provinces adjusting their policies and programs. Although provincial policies vary significantly, many of the unemployed have lost access to any aid, as they do not qualify for employment insurance or for social assistance (McIntosh and Boychuk, 2000).

As a whole, policies for the prevention of, and the fight against social exclusion are directly linked to the labour market. Not only have those individuals incapable of work become the minority in social assistance programs (that were originally designed for this risk), but not working has also become increasingly illegitimate. Activation policies have become more popular with governments, and have replaced those forms of support deemed passive. Paradoxically, while admitting that full-employment is no longer a realistic objective, and that market wages may be insufficient, work is promoted as the primary tool in the struggle against poverty and unemployment.

The State's social investment is also marked by the support and development of the human capital of future workers – children. Educational and, to a greater extent, early childhood policies are increasingly oriented toward the objective of work-family articulation, which has become an important aspect of policy in the third period. As family structures became less stable, the number of single mothers grew considerably, accentuating the risk of child poverty. Thus, work-family articulation is also central for these non-traditional families.

In the United Kingdom, during the last few years, the issue of family has been at the centre of the political arena. Since the first National Childcare Strategy in 1998, parental leave and more generous maternity leaves have been introduced (Miller, 2001: 217). Until 1999, when an unpaid 13 week leave was introduced, no parental leave existed in the United Kingdom. In the spring of 2003, the duration of paid maternity leave was increased from 18 to 26 weeks. Since 2003, the British government has also made a priority of the guarantee of quality child care for all children under four years of age, and for 70% of all children in the next three years (see the website <http://www.politiquestociales.net>).

As in the United Kingdom, the existence and availability of childcare services in Canada is very poor, with an absence of a national policy in this field. It is estimated that in 2001 only 12% of Canadian children under 12 years of age had a place in a childcare facility (Friendly, Beach, and Turiano, 2002). Nevertheless, since 1980, federal governments (both Conservative and Liberal) have invested in a childcare system on a national scale, essentially through fiscal policy (with the exception of parental and maternity leave) (Jenson, Mahon and Phillips, 2003: 139). Canada does not offer parents any real funding for childcare, but instead, makes these expenses non-taxable. In the field of anti-poverty politics, the federal government transfers funds to the provinces for the purpose of investment into early childhood development programs. Many provinces use these funds to consolidate already existing programs, rather than creating a true network of childcare facilities (Jenson, Mahon and Phillips, 2003: 145). In contrast, Québec has, since 1997, progressively developed a network of childcare facilities that charge a fixed rate of \$5 per day and are available to all children. Moreover, for parents receiving social aid benefits, the province guarantees free childcare. Finally, since the year 2000, Canada has extended the duration of parental leave from 26 to 52 weeks at 55% of normal salary.

Conclusion

In the field of employment policy, the Social Investment State in liberal welfare regimes, which emerged during the middle of the 1990s, is clearly distinguished from the previous period of Welfare State retrenchment. It is characterised, most notably, by a polarisation of discourses that target two distinct groups of workers. Rather than a clear separation between the employed and the unemployed (which existed until the end of the 1980s), we currently observe an increasingly salient division between good and bad jobs. While public measures primarily concern the most needy (those in bad jobs), governmental discourses increasingly valorise the development of excellence policies. From this perspective, social assistance has become the principal instrument of employment policies. These policies are oriented increasingly toward the promotion of employment and decreasingly towards the economic security of workers. Moreover, a new field of public policy has emerged under the label of 'work-family articulation (or conciliation)'.

From a more normative perspective, these changes have accompanied the emergence of new forms of social inequality. In the Social Investment State, single adults, without children and without employment, are less and less supported by the State, and more and more obligated to rely on themselves for survival. In the same way, new demarcation lines have been drawn between men and women in terms of the division of labour (as various tasks associated with care have again become largely the responsibility of women), and in terms of economic security. Finally, significant inequalities exist between workers in terms of income and employment regulations.

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grammes, a right of return to employment was not guaranteed. Maternity leaves remained short. However, in 1979 certain rules requiring all employers to provide maternity leave were abolished. See (Brown and Small, 1985).

³Defined as those employed in part-time positions that are willing to accept but unable to find full-time employment

⁴The other 11% was provided by pensions (6%) or income from investments. Statistics Canada, *The Daily*, 18 July 2002.

⁵See the website of the Benefit Agency: www.dss.gov.uk/ba/

⁶Alan Deacon, 1997, "Welfare to work: Options and Issues", *Social Policy Review* 9: 41.

¹Between 1970 and 1975, the cost of benefits increased fivefold (\$730 million to \$3.3 billion). Geoffrey E. Hale, "Reforming Employment Insurance: Transcending the Politics of the Status Quo", *Canadian Public Policy - Analyse de politiques* 24, 4 (December 1998), 429-452.

²Under the previous 1948 and 1953 pro-