



**Canada Research Chair in
Citizenship and Governance**

Social Citizenship, Governance and Social Policy

By

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1.0 Introduction

In the recent years both social citizenship and governance have become increasingly important matters for social policy debates in Canada. The notion of social citizenship implies rights and responsibilities accorded to individuals as members of a community, while governance involves the processes of governing by public policy networks that include both public and private sector actors. Social citizenship determines the access that individuals have to services and provisions, while governance relations may determine how these services and provisions are structured, provided, and organized.

The interconnections of these two matters can be seen in the way that Human Resources Development Canada (HRDC) defines its work. HRDC has been a principal in refocusing attention onto the needs of families with children via *the National Children's Agenda*, the *National Child Benefit* and *Early Childhood Development Agreements* with provincial and territorial governments. In addition, it is responsible for the flagship income security program, *Employment Insurance*, and has played a major role in the *Social Union Framework Agreement* (SUFA), as well as in imagining new ways to meet the needs of *key categories* of the Canadian population, including Aboriginal peoples, Canadians living with disabilities, and youth. Its recent Business Plan¹ seeks to empower HRDC to continue to play a leading role at the interface of economic and social development, with an agenda focused on skills and learning, and on modernizing services. Both are described in the Business Plan as ones that would potentially “reorient many of our traditional programs and services to a more integrated and citizen-centred perspective.”

Another example of the links between governance and citizenship is provided by the pledges made in the *Social Union Framework Agreement* signed by 13 Canadian governments in 1999. It explicitly promises greater involvement in social policy decisions, as well as transparency and accountability. The Agreement states: “Canada’s Social Union can be strengthened by enhancing each government’s transparency and accountability to its constituents.” At the same time, it made commitments to participation, by promising to “ensure effective mechanisms for Canadians to participate in developing social priorities and reviewing outcomes.” All of this was to be undertaken in the name of the fundamental principle, that is, that “Canada’s social union should reflect and give expression to the fundamental values of Canadians – equality, respect for diversity, fairness, individual dignity and responsibility, and mutual aid and our responsibilities for one another.”²

This paper examines the way some of these matters have been addressed by policy communities in Canada, focusing both on the changing content of social citizenship and the alterations in governance practices implied by a move towards what is termed an integrated and citizen-centred perspective. It proceeds in the following steps. In Section 2 it examines the several goals of social policy, ones that can be pursued in a variety of political regimes, and the meaning of the concept itself. In particular, this section compares two traditions of social citizenship.

¹ See <http://www.hrhc-drhc.ca/dept/busplan/2002/chap2.shtml>.

² These quotations are from *A Framework to Improve the Social Union for Canadians: An Agreement between the Government of Canada and the Governments of the Provinces and Territories* (4 February 1999), available at <http://www.socialunion.gc.ca>.



These are: the “British” tradition described by T.H. Marshall and the “French” tradition inherited from the revolutionary struggles of 18th and 19th century France. Then, it presents in Section 3 some current challenges to social citizenship in Canada, while Section 4 describes some of the emerging responses, including the shift towards new partnerships in governance involved in the kind of “citizen-centred” perspective promoted by, among many others, the Government of Canada. The paper concludes in Section 5 with a brief assessment of this process.



2.0 Social Citizenship as a Policy Mix

Social policy has been used in the past to achieve a range of goals. Most countries employ a mix of goals, thereby providing a “policy mix” rather than a clear single model. Therefore, we will use the metaphor of a social citizenship *policy mix* rather than of social policy regime (see Appendix A for the reasons why).

2.1 A Range of Goals for Social Policy

Historically, probably the most common goal of social policy – shared by many types of political regimes, democratic or not – has been to ensure social peace. We call this the goal of social cohesion. “England was the first country to adopt a clearly *social* policy, in the form of the Poor Laws (1563, 1601, 1834), in which the crown established and enforced the first national program for the management of poverty through redistribution” (White, 2003: 55). Canadian social policy, until well into the 1960s, was shaped by this British heritage of the Poor Laws (Boychuk, 1998). Such social policy was not, however, an expression of social citizenship. Rather, the Poor Laws applied to those *excluded* from the rights of citizenship.

In Canada as well as Britain, such social policy goals remained influential through the 19th and 20th centuries, but the goal of social peace was eventually modified, although still focussed on poverty. British social policy was deployed to construct a social safety net, providing “residual social rights” to those who were unable, for one reason or another, to make their way successfully in a market society (White, 2003: 56; Titmuss, 1974).³

To use T.H. Marshall’s (1949) metaphor, the goal of British (and Canadian) social policy was very like that of public health. Just as people’s survival depended on instituting a measure of “smoke abatement” in polluted industrial cities, the goal of social rights was “class abatement,” that is smoothing over the inherent tensions within a market economy due to the inequalities generated by markets. Social policy could serve to alter initial endowments as well as providing for old age and protect against the “bad luck” of illness. By the mid-20th century, then, this social policy had become an expression of social citizenship, available precisely *because of one’s* status as a member of the national community.

By the late 19th century, another social policy model was emerging alongside the residual British one. This was the social insurance regime constructed in conservative Germany, again to protect an industrial society facing “the potential for class war,” at least as perceived by Chancellor Otto von Bismarck and his colleagues. Providing protection via social insurance resonated in many countries of continental Europe, where mutual societies were already active; having the state as guarantor simply made the schemes more sustainable.

³ In addition to G. Esping-Andersen, Richard M. Titmuss (1974) has made important contributions to conceptualizations of different forms of welfare systems. He identified a “residual” model of the welfare state, in which “the state intervenes only when the market, family or community fails, and this intervention is characterised by the selectivity of its approach” (Fawcett and Papadopoulos, 1997: 5).

Such insurance-based systems – termed conservative-corporatist (or sometimes “continental”) in the literature on welfare regimes – did not focus on the margins of society. Rather, they were designed to provide, in sickness, unemployment and at retirement, a benefit commensurate with one’s social standing. These would be achieved by providing benefits at replacement level, and not at minimum, flat-rates as was the case when fighting poverty was the principal goal.

Being centred on occupational standing – one’s corporate status – the assumption was that all workers (and their families) would be protected, precisely because they were in employment. If by some chance a worker fell victim to a social risk, such as unemployment or ill-health, he would reap the benefits of his – compulsory – frugality, and receive a benefit from the insurance fund. Canadian Unemployment (later Employment) Insurance, instituted in 1941, is an example of such an insurance-based social program. Inclusion was not considered to be a problem, because everyone – at least all men – was assumed to be in work.⁴ This supposedly universal coverage made such insurance-based social policy an expression of social citizenship as well.

By the mid-20th century, yet a third kind of social policy had come into existence. This is one that uses the state and tax revenues to ensure security for the whole population and does so via a commitment to equality. In this universalist model, benefits are distributed on the basis of citizenship (or residence); there is neither means-testing nor the requirement of having paid into an insurance regime. National integration – that is, social cohesion – is to be assured by the solidarity generated by common rights, shared institutions, generous benefits, while inclusion (coverage) is automatic. In Canada, health care and education, including post-secondary education, provide such a universal right.

Universal programs of this kind are most obviously an expression of social citizenship, being available to everyone. However, it is important to understand that – depending on their design – targeted and insurance-based social policy can also provide the social rights of citizenship. Moreover, in most countries, the social protection system is a mixed one, borrowing elements from each approach. In Canada, for example, our perspective on social assistance comes from the safety-net and means-tested social citizenship tradition of Britain. Employment insurance and its predecessor Unemployment Insurance follow the principles of conservative-corporatist insuring, using payroll contributions as the financing mechanism. The program often described as the best expression of Canadian identity and national goals – the public health care system – follows the principle of universality, giving access to all citizens and permanent residents.

⁴ These conservative-corporatist regimes maintain very small social assistance programs for those who, for one reason or another, fall out of the insurance-based system. In contrast to social policy regimes modeled on residual benefits (such as Britain, Canada, Australia, New Zealand, and so on) and where means-tested social assistance programs cover about 17 percent of the population, in the rest of the OECD world such forms of social assistance cover only about four percent of the population (Eardley *et al.*, 1996).

2.2 The Marshallian Tradition of Social Citizenship

There is general agreement that the concept of social citizenship in the English-language literature was given its current persona, if not invented, by the British sociologist, T.H. Marshall in his reflections on the British situation just after World War II. Of course other visions of social citizenship also exist. France has also significantly influenced the European discussions of citizenship, and has influenced the design of social policy in Canada too.

Marshall's Definition of Social Rights

T.H. Marshall (1949) was a man of his time. Social rights were on the agenda around the post-1945 world. Article 22 of the 1948 United Nations *Universal Declaration of Human Rights* guaranteed that everyone, “as a member of society, has the right to social security.” Reflecting not only on this international discourse, but also the deep distress of the British working population in the 1930s and the visions of change embodied in programs such as those proposed by William Lord Beveridge, Marshall defined social citizenship in two general ways right at the start of his essay: “the right to a modicum of economic welfare and security” and “the right to live the life of a civilized being.”

Marshall's understanding of rights, however, was far from what, in the American tradition, have been termed entitlements. “What Marshall meant by social rights was not that these would be individually enforceable but that the state had a general duty to provide *collective* services in the fields of health, education and welfare; he did not envisage that these would yield individual entitlements” (Harris, 1999: 916).

Within the Social Liberal Tradition

For Marshall, there was never any question that the market economy and the capitalist system would remain in place. He advocated “class abatement,” not a classless society. T.H. Marshall located his analysis clearly in the tradition of social liberalism, a perspective which, along with Fabianism and labourism, profoundly shaped the actions of the first British Labour governments in the 1940s and 1950s. It also spilled over directly into Canada via the influential Marsh Report and social liberalism embedded in parts of the Liberal Party of Canada as well as in the work of sociologists such as John Porter.⁵

What was this social liberalism? Perhaps it is most useful to quote L.T. Hobhouse's *Liberalism*, which served as a sort of manifesto for the New Liberals (social liberals) in the inter-war years. Hobhouse wrote (quoted in White, 2000: 511):

The function of the State is to secure conditions upon which its citizens are able to win by their own efforts all that is necessary to a full civic efficiency. It is not for the State to feed, house or clothe them. It is for the State to take care that the economic conditions are such that the normal man who is not defective in mind or body or will can by useful labour feed, house, and clothe himself and his family... [In this sense

⁵ For a discussion of social liberalism and some of its consequences in Canada, see Jenson, Mahon and Phillips (2003).

the] ‘right to work’ and the ‘right to a living wage’ are just as valid as the rights of person or property.

We see in this quotation that social rights – to work and to earn an adequate wage – were put on the same level by social liberals as the civil rights fought over in the 18th and 19th centuries.

British and Canadian thinkers and policy-makers (as well as those in many other countries) understood the limits of civil rights, important as they are (Jenson and Papillon, 2000: 35). They “recognized that in a market economy many citizens will lack reasonable access, ... to certain vital resources. The state, on their view has a responsibility to ensure that all citizens do have reasonable access to these resources” (White, 2000: 511). Thus, the right to work and earn a living wage were being defined as social rights.

Responsibilities as Well as Rights

In return, citizens have duties. T.H. Marshall was quite clear that citizenship implied responsibilities. Already familiar was the duty to bear arms, but in elaborating his vision of *social* citizenship he mentioned explicitly: “the duty to pay taxes and insurance contributions” while the duty to work was of “paramount importance” (Marshall, 1949: 78; 80).⁶

In addition, but not to undermine the former, Marshall argued that citizens had collective obligations for each other’s welfare. The institution that could ensure this obligation was met was the State; only it could provide a balance to the market, which was incapable of guaranteeing services to all citizens. As Marshall (1949: 11) said:

By the social element I mean the whole range from the right to a modicum of economic welfare and security to the right to share to the full in the social heritage and to live the life of a civilised being according to the standards prevailing in the society. The institutions most closely connected with it are the educational system and the social services.⁷

Attention to Social Cohesion Too

For T.H. Marshall, “the inequalities of the market had to be contained by the state in order to promote social stability, balancing the socially divisive effects of market-based inequalities by the integrative experience of solidarity generated by social citizenship rights” (Harris, 1999: 916). The willingness to share that he felt characterized post-1945 Britain was evidence that British society had moved from the “naked cash nexus” towards a much more stable situation.⁸

⁶ For overviews of the “rights and duties” dimensions of Marshall’s work, as well as of Beveridge, see Powell (2002: 236ff).

⁷ This emphasis on the role and importance of education partly accounts for the interest in the notion of social citizenship held for the pre-eminent Canadian sociologist of the 1960s and 1970s, John Porter. In addition to his debt to T.H. Marshall, he also drew on Hobhouse (O’Connor, 1998: 182).

⁸ This use of the concept “naked cash nexus” is quoted by Harris (1999: 917).

He was not, however, a subscriber to the notion that social policy should simply be concerned with ensuring social inclusion. Marshall's optimistic summary was "that state welfare provision had moved from being targeted towards the 'helpless and hopeless of the population' ... and was now extended to all citizens" (Harris, 1999: 917).

2.3 French Traditions of Republicanism and Solidarisme: An Alternative to Marshall

T.H. Marshall has profoundly influenced the ways many analysts think about the social architecture of the past and present, but his is not the only tradition of social citizenship. French political thought has had its own conceptualization of social citizenship, quite different from that of British social liberalism. It is worth examining because it has influenced the shape of debates in Europe as well as in Canada. It build on citizenship-based justifications of redistribution and definitions of social solidarity (Béland and Hansen, 2000: 47; Jenson, 1998: 22-26). In addition, it pays significant attention to governance, especially the dimension of citizen participation.

Canadians Daniel Béland and Randall Hansen (2000: especially 50ff) provide an instructive presentation of French thinking on social citizenship and the paragraphs that follow draw liberally on their work.

Notions of Participation, Social Solidarity and Interdependence

Notions of citizenship after 1789 in France originally designated a category of "active citizens" who enjoyed all rights. The status was reserved for the wealthy and educated and was contrasted to "passive citizens," that is the mass of poor and uneducated French working men (no women here...!) who held only civil citizenship. This distinction disappeared with the institution of universal manhood suffrage in 1848, when *participation by all* became a foundational principle of republican citizenship.

Debate began only in the Third Republic and, therefore, beginning in the 1870s, about the ideas to which Béland and Hansen (following T.H. Marshall) affix the label social citizenship. A first influence was sociologist Émile Durkheim and his ideas about solidarity and, especially, the organic solidarity of the modern division of labour. A second was the movement of *solidarisme*, initiated by Léon Bourgeois, who emphasized the dependence of everyone on all others. One principle that derived directly from the idea of interdependence was that people had a right, *as citizens*, to expressions of solidarity in the form of *assistance*. The latter tended to be quite minimalist but it was both a right and an expression of collective ties. Therefore, the French system was generating *assistance publique* as a social right, at a time when British Poor Laws still denied recipients of assistance political citizenship.

Social Insurance as the Design for Social Protection

This philosophical position, developed in opposition to Marxism, social democracy and liberalism, also generated a particular view of social policy design and delivery. Social issues were conceptualized as *risks* to which anyone might fall victim and for which the best protection was a social insurance program, rather than social assistance. Thus, risks of ill-health, unemployment, maternity, and old age were insured in occupationally-based regimes, managed

by social partners and financed by insurance contributions (eventually payroll contributions) by workers and employers. Train engineers, managers, public servants, agricultural workers, the self-employed, and so on, all claimed their social rights via their professional *régimes*, of which there are still a great number. Thus forms of governance, by associations of workers, were embedded directly in this French-style thinking about social citizenship.

A Key Assumption – Inclusion Via Work

In this system, access to social protection depended on having paid into one's insurance and such payments are a portion of earnings (exactly as are Canada's Employment Insurance payments). The benefits provided are not only for the risk of unemployment, but also health, and so on. Therefore, in this vision of social citizenship, work and rights are inseparable. Nor is there an issue of responsibility; access depends upon having paid into the regime.

The Achilles Heel of this Vision of Social Citizenship

Social rights in France worked as expected as long as there was virtually full employment or at least one member of the family was in work. That meant that workers and their families were insured. However, as unemployment rates rose, and hit particular categories harder than others (thereby failing to distribute risk evenly), the principles of insurance-based social protection were undermined. Many people were left without social protection, and discussions began to be preoccupied by those citizens who were excluded. Young people, women, the long-term unemployed and other categories were at risk of *exclusion* because they could not get into work, and therefore could not accumulate rights to health insurance, pensions, and so on. Lack of work had consequences far beyond lack of income; it could mean isolation on the margins of society. This marginalization, in and of itself, was sufficient to demand a response phrased in terms of citizenship, because republican citizenship demanded solidarity (*fraternité*) for all, as well as liberty and equality (Béland and Hansen, 1998: 921).

An Obvious Citizenship Link: Participation and Social Inclusion

The language of citizenship has recently been invoked again to handle a specific problem, that is, the new risks of exclusion. "Given the importance of participation to French republican thought and to republican citizenship, the existence of large numbers of excluded is not only an economic problem but also a problem of citizenship (a crisis of participation)" (Béland and Hansen, 2000: 49). Again, we see a policy mix around two goals – a universalistic commitment to citizen participation and social inclusion.

Another Notion of Citizen Duties

The result of this combination of principles is that French policy (and other Europeans who share a similar republican and/or corporatist tradition and set of challenges) has been able to move towards work requirements and notions of exchange without passing through the waters of neo-liberalism. Programs are grounded, "at least ideologically – in society's responsibility to ensure the individual's integration into society and the labour market, rather than the individual's responsibility to pay for welfare benefits with his or her labour" (Béland and Hansen, 2000: 57).



Box 1
A New Pattern: Two Traditions Meet

The French notion of social citizenship has embedded in it, then, a vision of governance – focused on citizen participation – right from the beginning, whereas the Marshallian tradition separates social rights from political rights. A shift in thinking has been occurring, even in countries that are built on the social liberal tradition (such as Canada), however. This is to think about social policy governance in a new way, by emphasising the importance of citizen participation, both as individuals and via their associations, in ensuring social citizenship. There is increasingly, in other words, a meshing of these two intellectual traditions.

The encounter of these two traditions is seen in Quebec, for example, where the social economy has become an important social partner in discussions of social policy reform.⁹ But has also been influential in the rest of Canada (anglophone Canada), where the Third Sector, including religiously-based groups, have been accepted as legitimate partners with the state, and called upon to provide social services.¹⁰

⁹ For a discussion of the social economy tradition in Quebec see Shragge, Graefe, and Fontan (2001).

¹⁰ One result is a clear differentiation between Canada and the USA. In the latter, President George W. Bush's reliance on faith-based organizations to deliver social programs is contested as non-Constitutional, whereas in Canada faith-based – and other groups – have long been partners with the State.

3.0 Current Challenges to Social Citizenship and Governance Designed for an Earlier Era

Much social policy still in place is out-of-phase with the times. It was designed to address situations that no longer exist. It depends on visions developed in the decades between 1945 and 1970 and its was intended to respond to the needs of “typical” homes and workplaces, as well as the risks faced by citizens who, for one reason or another, might not fall into the “typical” situation that were prevalent at that time. Up-dating is needed, and as Section 4 documents, is going on.

3.1 Post-1945 Notions of Socio-Economic Realities

The sketch in Box 1 (adapted from Jenson, 2001a: 10) reflects assumptions made in Canada when social policies such as Unemployment Insurance, Canada/Quebec pensions, post-secondary public education systems, and the universal health care system (Medicare) as well as the social safety need of social assistance were designed.

The need for reform is clear. As Box 2 shows, the vision simply does not reflect the reality of most peoples’ circumstances.

The *governance assumptions* in these post-war decades can also be uncovered. The federal government in the first three decades after 1945 was flexing its muscles, seeking to shape provincial policy by using its powers to tax and to spend, even in areas which the Constitution defined as falling within provincial responsibility. Moreover, there was little attention to the role that other types of institutions might play in social policy governance. While the voluntary sector was actually quite actively involved in social policy in the 1950s and 1960s, little *attention* was devoted to its role or contribution. For example, the fact that the Children’s Aid Society was delivering virtually all child protection services in some provinces, that the Victorian Order of Nurses provided publicly financed home care, or that the Canada Assistance Plan (CAP) required that non-profit associations deliver much of publicly subsidized child care did not attract a great deal of attention. Governance was assumed to involve only governments.

3.2 Socio-Economic and Political Realities at the Beginning of the 21st Century

In large part such thinking has been necessary because of four kinds of changes. We now all live in a society that is significantly different from that for which much social policy was designed between the 1940s and the 1960s, and which has provoked pressures for change. Table 1 maps some of them.

Box 2
**Notions of *Typical* Homes and Workplaces Underpinning
the Post-1945 Design of Social Citizenship**

Typical homes were composed of two parents, several children and perhaps an elderly relative. The baby boom after World War II meant that many families had three or more children. The divorce rate was low, and births to unmarried women rare. In Canada, for example, if 10 percent of families with children were lone-parent ones from the 1940s to 1960s, these families were largely created by the death of a spouse. In the 1940s and then the 1960s and 1970s, when the basic social protection programs were being designed, lone parents were still overwhelmingly widowed wives. In most other homes, the male breadwinner model predominated; women's labour force participation rates were low, because they tended to stay home to care for their children, the house, and perhaps their elderly kin.

From the 1940s to the 1980s, the age structure of the population was one in which youth predominated. The segment of the population that was older than 65 remained below 10 percent. In Canada, for example, although it was growing, the increase was slow, rising less than five percentage points in the eight decades between 1921 and 1981, and less than two percent between 1951 and 1981. However, Canadian women born in the first two decades of the 20th century had unusually high rates of childlessness and low rates of fertility, as well as low rates of labour force participation. By the 1960s, elderly women were significantly at-risk of poverty and the pensioner imagined by those designing the public system was very often a woman living alone. The CPP (and QPP) was designed to meet her needs.

There were also ideas about typical patterns of employment. The post-war boom created a labour market in which employment provided protection against poverty. Wages were sufficiently high that having a job brought the capacity to support oneself and one's family. Therefore, those at-risk of low income were men temporarily without work, that is, those who were unemployed because of job turnover or for structural reasons such as seasonal work. Unemployment Insurance responded to this risk. The categories of the population at-risk of poverty were those unable to work, because they were disabled or considered otherwise occupied (raising children, for example). Family allowances and other transfers in continental European countries or social assistance in Canada existed for them.

Such patterns of social knowledge led policy intellectuals to design social and employment programs that maintained a clear distinction between being "in" and being "out" of the labour force, and with different programs for each group. Access to social protection was clearly organized according to one's relationship to the labour force, while the labour market functioned as the best safety net of all.

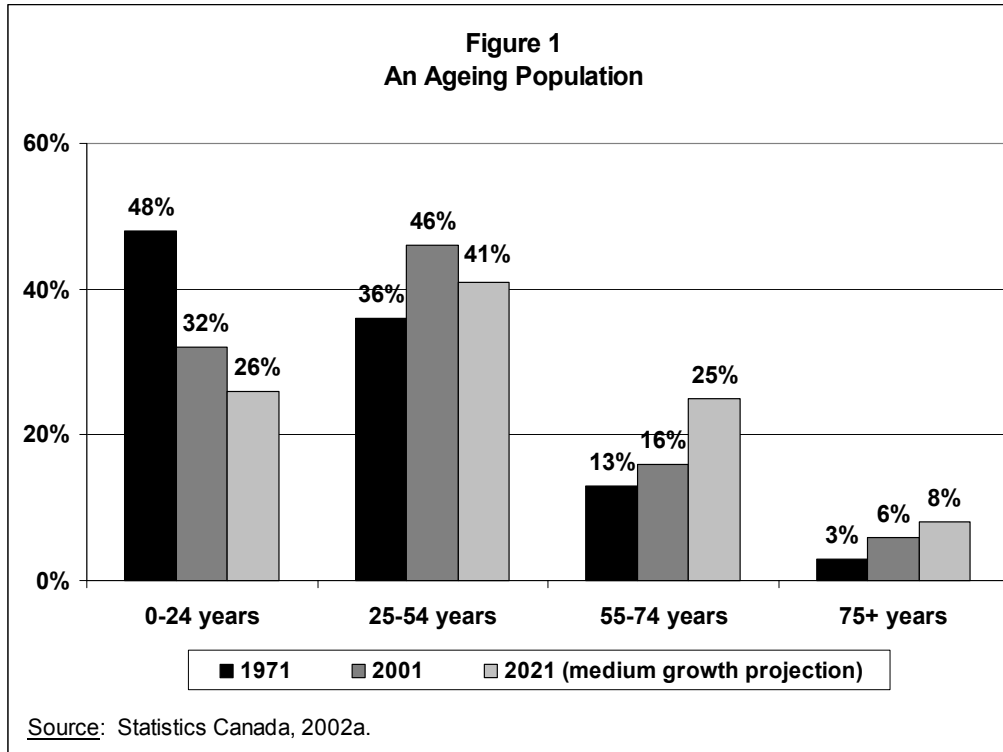
Table 1
Patterns of Social Change over Time in Canada

	1941	1951	1961	1971	1981	1991	2001 ⁴
Total fertility rate ¹	2.8	3.5	3.8	2.1	1.7	1.7	1.51
Divorces per 100,000 married couples ¹	-	180	180	600	1180	1235	1222*
Births to non-married women, as a percent of all births ¹	4.0	3.8	4.5	9.0	16.7	28.6	36.3*
Lone-parent families, as a percent of all families with children ¹	9.8	9.8	11.4	13.2	16.6	20.0	24.7
Women's labour force participation, as a percent of women over 15 ²	20.7	24.1	29.5	38.7	51.9	58.4	59.7
Men's labour force participation, as a percent of men over 15 ²	85.8	83.8	77.7	77.3	78.7	75.1	72.5
Population over 65 as a percent of total population ³	6.7	7.8	7.6	8.0	9.6	11.4	13.0
Population over 85 as a percent of the population over 65 ³	4.7	4.8	5.8	7.9	8.2	9.8	10.7
Persons over 65 living with their extended family, as a percent of those over 65 ³	-	-	-	16	11	8	13
Persons over 65 living alone, as a percent of those over 65 ³	-	-	12.4	18.3	26	28.2	26.9
Population reporting Aboriginal ancestry (origin), percent of total population ⁴	1.4	1.2	1.2	1.5	2.0	3.6	4.4
Proportion of immigrants born in Europe or the United States ⁵			94.4	75.5	42.9	29.6	22.3
Proportion of immigrants born in Asia ⁵			3.2	12.1	33.3	47.2	58.2
Urban population	54.3	61.6	69.6	76.0	75.7	76.6	79.4

Notes: 1. Data in these rows (with the exception of 2001) are from Beaujot (2000: Table 4).
 2. Statistics Canada (1999).
 3. Health Canada (2000).
 4. Data in this column are from Statistics Canada Web site, <http://www.statcan.ca/>. *Statistics for 1996.
 5. The dates are not census dates, but are the following: before 1961; 1961-70; 1971-80; 1981-90; 1991-2001. Statistics Canada (2003: 39). Statistics Canada includes the Middle East in "Asia."

These social changes can be summarized as four trends:

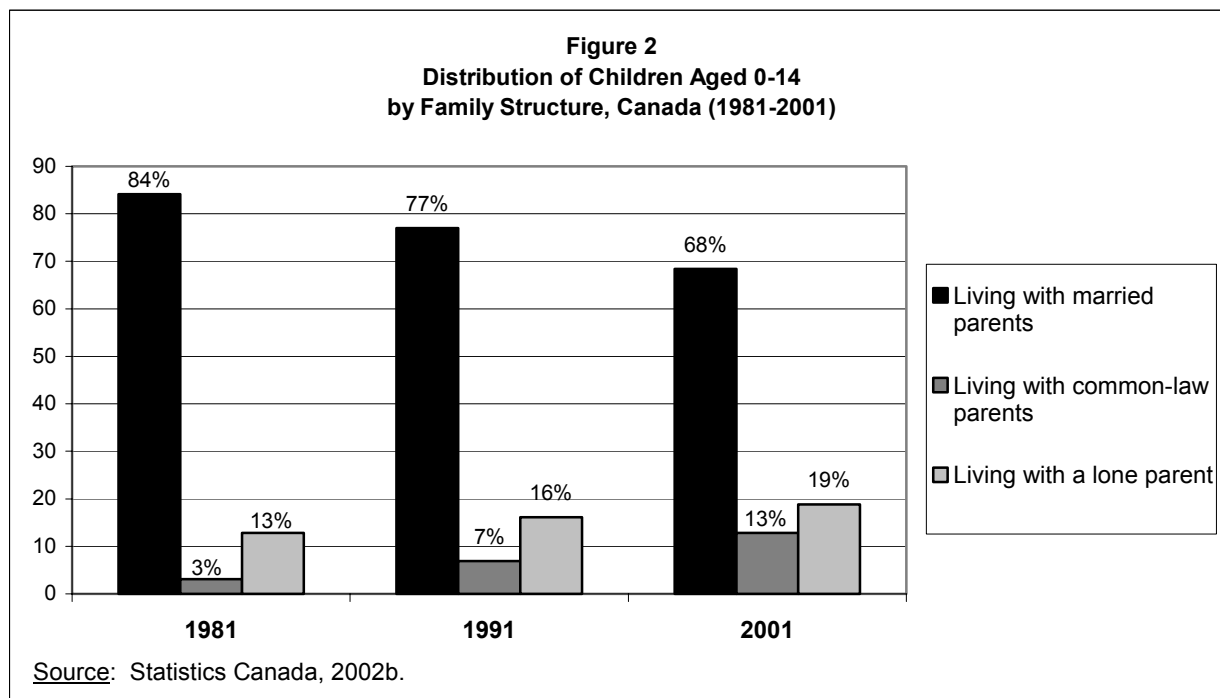
An ageing society. Figure 1 presents the basic information which causes many people to describe Canada, as much of the OECD world, as an ageing society. The median age of the population reached an all-time high of 37.6 years in 2001, a jump of 2.3 years since the last census. It is expected to reach 41 by 2011. This population is composed of fewer young people, and more older working people. The median of the working age (20-64) population rose to 41.3 in 2001, and is expected to reach 43.7 by 2011 (Statistics Canada, 2002a: 4).



Behind these basic statistics are important cohort patterns as well. The group that was the fastest growing was Canadians older than 80; it increased by 41 percent. If the cohort of “young retirees” grew by only six percent since the census of 1991, the next two decades are projected to see this group increase by fully 31 percent. At the other end of the life cycle, the cohort of young workers, aged 25-34 declined in size, falling 18 percent in the last decade (Statistics Canada, 2002a: 28). Similarly, the number of children aged 0 to 4 declined 11 percent between 1991 and 2001.

Changing family structures. We have noted that the social knowledge of the first post-1945 decades relied extensively on the vision of the typical family as living in a home, separate from the work place and being composed of two married adults with several children and perhaps a senior relative, dependent on a male breadwinner. Since then, none of these assumptions describes the actual situation. Homes are occupied differently, family structures are changing, and an adequate income often requires two earners.

The number of one-parent and recomposed families is climbing. In addition, declining fertility, difficulties balancing work and family life, costs of raising children and other pressures mean that parents are choosing significantly smaller families. This has intergenerational impacts; the “bean-pole” family is becoming a reality.

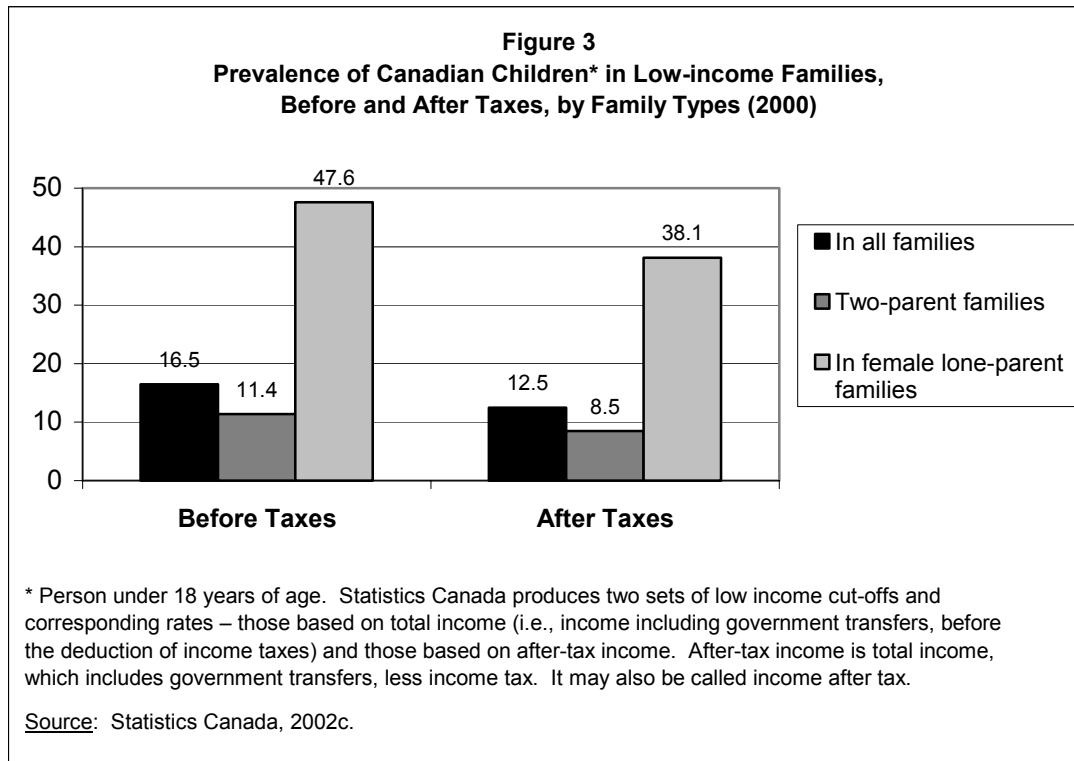


One result of the kinds of changes in family structures mapped in Figure 2 is that more children are living in poor families. Even recently there is some evidence of a reduction in child poverty, as the most recent *National Child Benefit Progress Report* described the situation, a child poverty rate at “17.2 percent is still above the [rate] of 14.6 percent achieved in 1989,”¹¹ when the House of Commons unanimously voted “to end child poverty by 2000.” Of course, the chance of being poor varies significantly by family type, as Figure 3 documents.

The average number of children per family has also declined, to make families smaller than in the decades before 1945. As in many other countries, we can identify a plummeting Canadian fertility rate. It was 3.8 in 1960 and fell to 1.7 in 1990, with a further decline to 1.5 in 2001.¹² Part of the diagnosis for this decline is the postponement of child-bearing, linked to the length of time it takes young adults to achieve financial independence and stability. Since 1944 the average age of mothers at the birth of their first child has risen from 25 to 27 years, and in the mid-1990s the proportion of women in their 40s giving birth surpassed the proportion of those 15-19 (HRDC/Manitoba, 2003: 2).

¹¹ See <http://www.nationalchildbenefit.ca/ncb/NCB-2002/summary.html>.

¹² The 2001 Canadian birth rate actually reflected a slight increase, for the first time in a decade, and after a record low in 2000. It rose from 1.49 to 1.51, with the biggest increases being in Quebec and Ontario (*The Daily*, 11 August 2001).

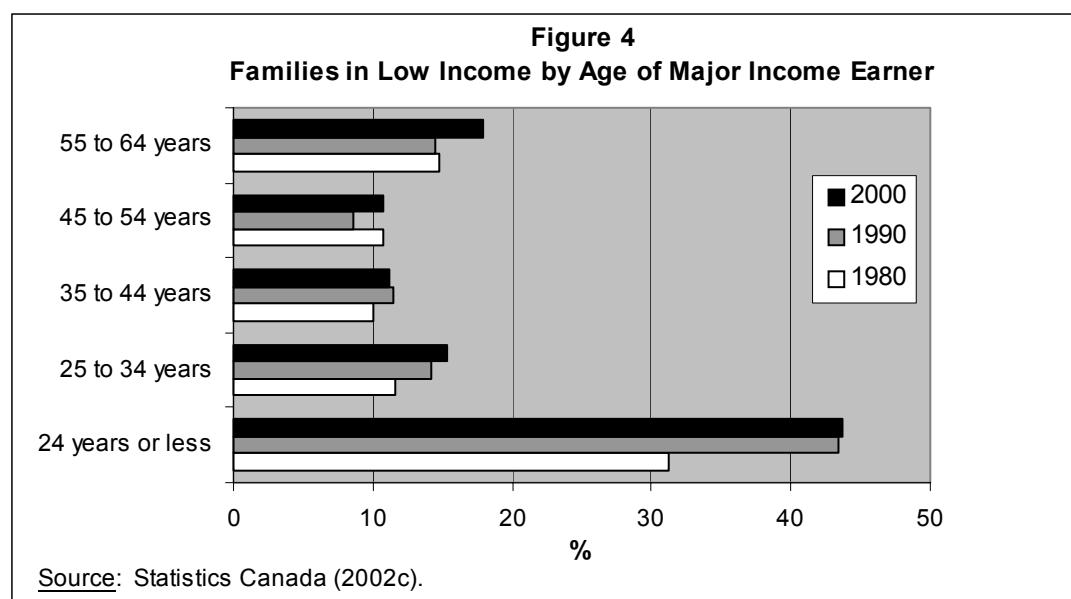


A diverse society. Immigration is changing the face of many countries, including Canada. Higher rates of immigration or general population mobility are posing challenges to definitions of citizenship rights. The foreign-born population rose to 18.4 percent, up from the 14.7 percent in 1951 (Statistics Canada, 2003: 5). Second, the 2001 census found 13.4 percent of the total population identified as a visible minority, up from 4.7 percent in 1981. Those of Chinese ancestry formed the largest minority group in Canada, 26 percent of the visible-minority population. One in every four persons of Chinese ethnic origin was born in Canada (Statistics Canada, 2003: 10-11).

There has also been a concentration of newcomers, rather than their dispersal across the country. While 36 percent of the Canadian population lives in areas other than the Census Metropolitan Areas (CMAs), only 6 percent of immigrants and refugees in the 1990s settled in non-CMAs. Three cities are the locations of choice for newcomers. Toronto received 43 percent of all immigrants in the 1990s (79 percent of these being visible minorities), Vancouver 18 percent, and Montreal 12 percent.

A society at risk of poverty or social exclusion. Poverty affects approximately one in six persons, with a rate substantially higher in some communities or types of families. Many people, even working full-time and with two market incomes, do not earn enough to support themselves and their families, thereby creating a social category termed the “working poor.” Low-paid work is often also non-standard or contingent, thereby not providing full access either to rights or benefits.

In particular, we note that the rates of low-income are increasing among the youngest and the oldest working age families, as Figure 4 documents.



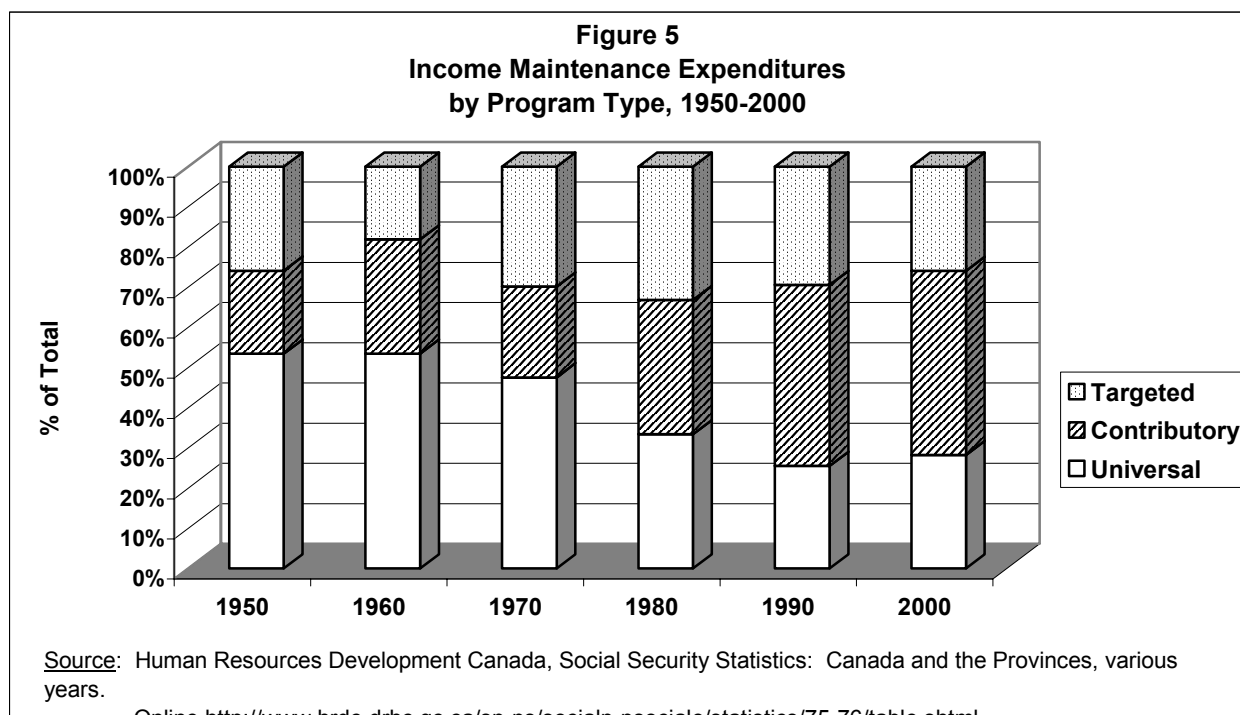
Numerous studies of the distributional effects of the 1990s labour market exist. Some of the changes (Heisz *et al*, 2002: 25) are:

- No increase in individual earnings inequality overall, but important increases in earnings inequality among men.
- An increase in earnings inequality among families in the 1990s.
- Little change in family disposable income inequality over the 1970s, 1980s, to the mid 1990s as the tax/transfer system served to mitigate the polarization of family earnings. There is evidence that family disposable income inequality may have increased at the end of the 1990s.
- A significant improvement in the labour market outcomes for women, and a general deterioration for men.
- A higher low-income rate in the late 1990s than during the 1980s.
- Deterioration during the 1990s in the average depth of low-income, even during the strong economic recovery to 1998.

These socio-economic changes have provoked a significant amount of re-thinking about how best to meet countries' solidaristic commitment and provide social citizenship. In doing so, and often justified by fears of fiscal crisis, public finance deficits, and high debt loads, as well concerns about citizen disengagement, more and more attention has gone to identifying new practices of social policy and governance.

4.0 What is Being Done?

Section 2 identified three components of the social citizenship policy mix – social assistance to fight poverty, social insurance to replace lost income, and universal programs available to all. Section 4 provides an example of a program of each kind and the reforms being undertaken. Over the past decade, the policy mix has clearly changed, with universal programs becoming less important to overall spending on income maintenance, and spending within contributory programs growing in importance, as Figure 5 shows (from Boychuk, 2003: 30). Universal social citizenship rights are being replaced by social programs that are targeted to specific kinds of persons, deemed in need (or worthy) of receiving them.



As we will also see, changes to the social citizenship policy mix also prompted changes in governance practices, focusing more attention on partnerships and on the role of non-governmental agencies, as well as altered intergovernmental relations.

4.1 Fighting Poverty – A Focus on Children

Being a liberal welfare regime, albeit a social liberal one, Canada has devoted most attention to social citizenship rights intended to provide a social safety net. Moreover, in addressing poverty, by far the most attention *recently* has gone to families with children under 18 years old.¹³

¹³ In the 1960s and 1970s the major focus in anti-poverty policy was on the elderly, and particularly elderly women who did not have access to pensions through their previous employment contracts. Canadian policy had significant effects in this area, reducing the poverty rate of persons over 65. As John Myles says (2000: 19): “By standards of OECD countries, Canadian public expenditures on income security for seniors are quite

At first, in the 1950s and 1960s income security for families was supposed to be provided in one of two – universally available – ways. Beginning in 1919 the federal government provided a tax-deduction for an adult supporting a dependent child. Then in the 1940s, it began to pay a benefit to families with children, the Family Allowance. Both of these programs were universally available to all families with children, and Family Allowances were not an insignificant public expenditure. Indeed, in “1960, income maintenance was comprised basically of three major programs of comparable size (universal family allowances, universal old age security, and unemployment insurance) ...” (Boychuk, 2003: 12).

By the 1970s, however, provincial social assistance as a program targeted to low-income persons outside of the labour force for a legitimate reason (including lone-parents with a young child or two-parent families unable to find sufficient work) eclipsed family allowances in the policy mix as the way to ensure adequate income. This program was delivered by the provinces, albeit with 50 percent of the financing coming from the federal government. At the same time, the federal government began its efforts to shift Family Allowances from a universal to a targeted program.

In order to understand the way Canada now deals with income security for families with children, it is necessary to follow the story of both federal tax deductions/Family Allowances and provincial social assistance. They are the result of several decades of movement towards targeted benefits. Without going into detail on all the twists and turns, we can say that post-war universal benefits, such as Family Allowances and tax exemptions, were eliminated in the 1980s. In their place came the Working Income Supplement (WIS) created in 1993 to provide a “top-up” to families whose earned income was low, while the Child Tax Benefit (CTB) went to low and middle-income adults with children under 18.

This was the state of play in 1995, when the Minister of Finance, Paul Martin, bought in a budget that provoked a fundamental change in the mechanisms for providing income security and its goals as well as forms of governance. The 1995 federal budget unilaterally abolished the principle of equality in cost-sharing with the provinces for social assistance, by abolishing the Canada Assistance Plan. This was the shared-cost program that had shaped income security since the 1960s. In its place, Ottawa provided the Canada Health and Social Transfer (CHST) as the mechanism for transferring funds to the province. Without going into all the financing details, suffice it to say that the trade-off offered provincial governments more independence in spending decisions against a reduction of several billion of dollars of transfers.

This exchange did not please the provinces. When the Premiers met in the summers of 1995 and 1996 to craft their demands to Ottawa about federalism and social policy, social assistance reform was high on the agenda. The Provincial/Territorial Council on Social Policy Renewal was the arena in which ideas about innovations in social policy were considered. One important

modest and are projected to peak at levels *well* below those anticipated in most other Western nations in the next century.... At the same time, low-income rates among Canadian seniors have been brought down to levels that are enviable by international standards. Unlike the United States, where declining poverty rates among seniors have taken place against a background of *rising* inequality, a significant element in the rising living standards at the lower end of the Canadian old age income distribution is a product of redistribution that has taken place *within* the elderly population.



initiative was designated as a tool for addressing child poverty. A double-barrelled strategy was adopted to achieve this: income transfers and employability programs.

The National Child Benefit was agreed to by all Canadian governments except Quebec. While the funds initially committed to the programs under the NCB did not increase, the principles changed significantly (see Figure 6). The federal portion is composed of two benefits, the Canada Child Tax Credit (CCTB) which goes to about 84 percent of all families (albeit on a sliding scale) and the National Child Benefit Supplement (NCBS) which goes to families with the lowest incomes, whether from employment or social assistance. The provincial governments provide services under the National Child Benefit program (although several also pay their own child benefits to employed parents) (Beauvais and Jenson, 2001 describes the program in detail).

The National Child Benefit (NCB) (in effect since July 1998) was designed to serve two purposes: to prevent and reduce the depth of child poverty and to promote parents' attachment to the workforce by ensuring that families will always be better off as the result of working.¹⁴ It seeks to create a more stable base of income for low-income families that face frequent job changes or who move on and off social assistance. The notion underlying the NCB is sometimes described as "taking children off social assistance." The idea is that "by making more income and other benefits and services available outside the welfare system for families with children, many low-income families will find it easier to support their children while in the labour force." The NCB has two principal goals: to reduce the *depth* of child poverty and to promote attachment to the labour force by ensuring that parents are always better off by working. In other words, the NCB was designed to overcome blockages to parental employment as well as to redistribute income.¹⁵

Governments are not indifferent to whether parents seek work; they are committed to fostering labour force participation. They continue to lower the age of the child whose care exempts single mothers on social assistance from seeking employment. In Manitoba, for example, "the assistance system ensured the *right* for deserving single mothers to *full* support until the child reached the age of majority" (Boychuk, 1998: 65), even into the 1980s. This is no longer the case. In all provinces, single parents on social assistance who have school-age children are considered employable, while in some cases, even the parents of infants are considered available for work or training. The range for the "age of exemption" is now from six months to six years (Beauvais and Jenson, 2001: Appendix).

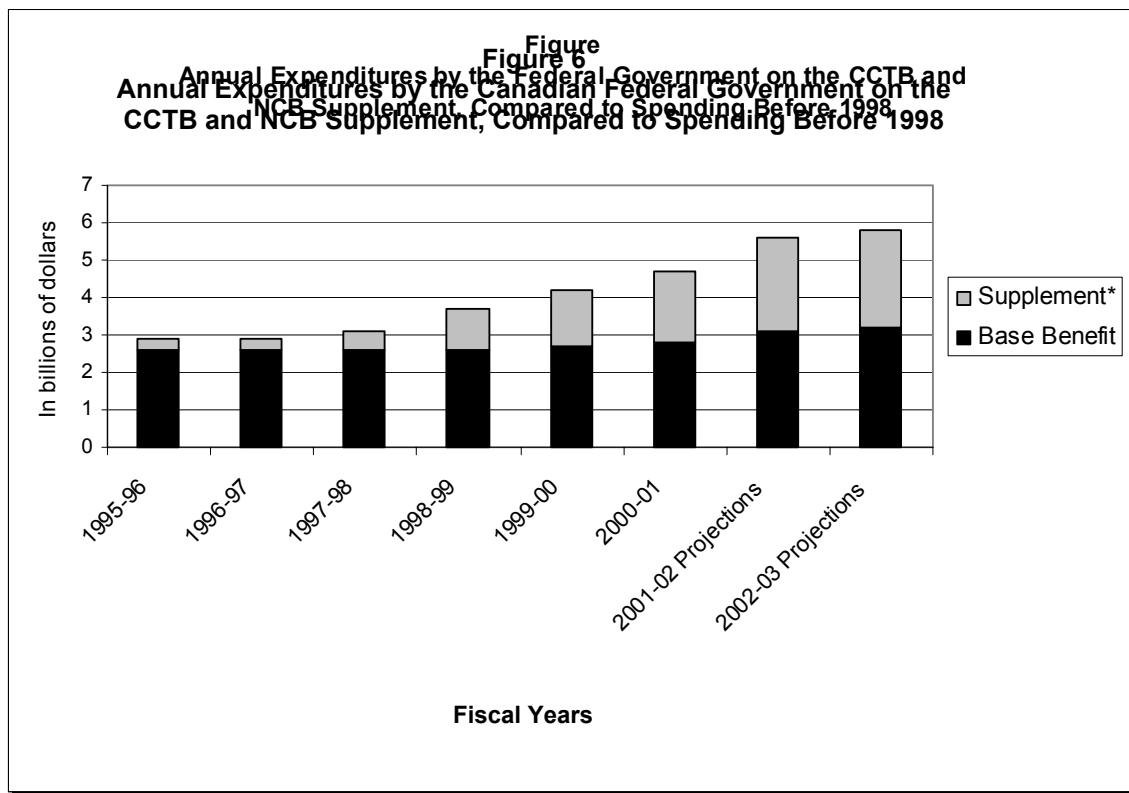
¹⁴ See the numerous documents, dating since 1997, on <http://www.socialunion.gc.ca/ncb>.

¹⁵ This is how the Canadian governments described the National Child Benefit in July 1999: "Families receiving social assistance often find it difficult to make the transition from welfare to work without losing benefits for their children. Compared to families on welfare, low-income working families may not be eligible for benefits and services provided through social assistance, such as free dental and prescription drug coverage. Wages earned through employment are not always enough to replace these lost benefits and pay increased employment costs, such as transportation, child care and work clothing. These barriers to employment form a 'welfare wall,' which prevents some families from leaving social assistance and makes it difficult for working families to obtain the supports they need for their children. The National Child Benefit is helping to ensure that low-income families are better off in jobs. The NCB provides additional financial supports for these families, along with benefits and services to help them stay in the workforce. The NCB has also begun to move child benefits out of the welfare system, so that when parents leave social assistance for work, they keep these benefits for their children." See http://socialunion.gc.ca/ncb/ncb_e19.html.

The second way provinces exhibited attention to parental employment was in their stance with respect to the NCB. When the NCB was created, all but two provincial governments decided to *reduce* (known as a claw-back) the income portion of social assistance, so that parents receiving social assistance would not have higher incomes as a result of receiving the NCB.

Finally, the program is meant to foster federal-provincial collaboration in order to improve governance. Hence the attention to negotiations, compromise and the solidification of basic principles of transparency and accountability.

One result of this shift is that money for low-income persons is being channeled into the CCTB and the NCBS, as Figure 6 shows.



Another result is that social assistance, the poverty-fighting program, has lost significantly in legitimacy. Social assistance expenditures and rates of reciprocity of social assistance have both been in sharp decline since the mid-1990s (Boychuk, 2003: Figure 9, p. 33). Benefits have been reduced for all categories (with the partial exception of persons with disabilities) of persons who are not employed. In addition, the pressure to seek employment has increased significantly.

This shift in perspective has also been accompanied by a change in governance. Some provinces have developed compulsory work programs and all have training programs in which they call upon the Third Sector to deliver programs. Thus, the YMCA in many provinces and other community associations of all sorts hold contracts with the federal or provincial government to

provide jobs, to provide training, and so on. In addition, the reduction of social assistance benefits has meant an increase in homelessness and loss of food security, so that the Third Sector is also being called upon to provide new services such as food banks and homeless shelters, some of which receive public funds and some of which operate as charities.

4.2 From Unemployment Insurance to Employment Insurance

Unemployment Insurance began in 1941, with the goal being to provide some replacement income to workers temporarily out of work. In order to qualify for benefits, the laid-off person needs to have been a contributor to the insurance, but most importantly needs to have met the “time in work” requirement.¹⁶ This is, in other words, a social program that was intended to operate according to an insurance model.

In the 1970s, Unemployment Insurance (UI) was used to achieve a wide variety of goals, by opening benefits to workers not previously eligible. One example is fishing benefits, made available to persons working in the seasonal fishing industry. UI was also the place for benefits recognizing the increase in women’s labour force participation, that is paid maternity and then parental leaves.

The 1990s brought a significant change in perspective, when the program changed its name to Employment Insurance. First, changes in the 1990s served to significantly limit the scope of benefit coverage. This shift is evident in dramatic declines in the ratio of beneficiaries to the total number of unemployed, as well as in total EI benefits paid relative to the total number of unemployed. In other words, more unemployed people are now *ineligible* to receive EI replacement income (Boychuk, 2003: Figure 8, 32).

While the shift to EI did extend coverage to part-time workers, it remains difficult for certain types of part-time workers – especially part-time workers in high unemployment areas and new entrants to the labour market working part-time to access benefits; young people and women are particularly affected by the restrictions (Boychuk, 2003: 14).

At the same time, other goals than income replacement have been added to this program, often in conjunction with spending coming from social assistance funds and other sources. There has been a move in Canada, as in many other OECD countries, to Active Labour Market Strategies. The shift to EI was accompanied by modifications in active labour market programs, such as Employment Benefits and Supports Measures (EBSMs), including targeted wage subsidies for private sector employment and subsidized employment in the public or non-profit sector, training, and self-employment initiatives. In this way, the Third Sector (much more than the private sector) became a visible and necessary partner for the labour market policies of the employability era; governance was significantly altered. An indicator of this change in governance came from intergovernmental relations. About one-third of identifiable expenditures on active measures takes place under labour market training initiatives (the responsibility of the provincial governments that have signed Labour Market Development Agreements with the federal government) while about one-sixth was used to subsidize employment (Boychuk, 2003: 17).

¹⁶ The number of hours needed to qualify depends on the region of residency and its unemployment rate. The range of hours worked (in the last 52 weeks) is 450 hours for regions with an unemployment rate of 13 percent or higher to 700 hours if the rate is six percent or less.

With this shift, there has been a blurring of the distinction between EI and social assistance to some extent, with recipients of both programs mixed together for training. Most importantly for our purposes here, however, is the observation that EI appears less as an insurance right, available because one has made one's contribution. Many people who contribute (because it is compulsory from the first day of employment) are not eligible to receive benefits, because they have not worked long enough, while those who do receive the benefit find that it comes increasingly with the expectation of engaging in some form of training.

4.3 Universal Programs under Pressure: Ageing and Health Care

When Canadian social citizenship was first constructed, that is in the decades of the 1940s and 1950s, two universal social programs existed: family allowances (1946) and Old-Age Security (OAS) (1952). These were intended to provide a minimum of income security for the youngest and the oldest residents of the country. Then in 1957 a third universal program was instituted, hospital insurance. While Family Allowances were eventually eliminated, as seen above, the other two continued to develop, albeit in different directions.

For seniors, two components were added in the 1960s: the Guaranteed Income Supplement (GIS) created in 1966 and targeted to low-income seniors and the Canada Pension Plan and Quebec Pension Plan (CPP/QPP). These are contribution-based systems, dependent on payments by employees and employers. In the 1980s the OAS was clawed back from high-income seniors, but 95 percent of all seniors receive the full benefit. Therefore, analysts tend to describe it as quasi-universal (Boychuk, 2003: 13).

Expenditures on old-age pensions are rising. While the income-tested benefit increased in 1970s and 1980s, spending on it is substantially less than on the CPP/QPP and OAS. Indeed, maturation of the contributory pension program has resulted in a situation in which spending on the insurance portion of the public pension system is about the same as that for the (quasi) universal portion, that is the OAS (Boychuk, 2003: Table 7, 31).

As John Myles (2000: i) puts it:

The expanded role of pensions in the 1980s and 1990s is largely the result of changes that occurred in the 1950s and 1960s. The Canada and Quebec Pension Plans (C/QPP) were implemented in 1966 and the first cohort to receive full C/QPP benefits turned 65 in 1976. Cohorts retiring after this period were also the beneficiaries of the expansion of private occupational pensions that took place between the 1950s and the 1970s. I rely on a detailed decomposition of income by source to show that not only did the maturation of these earnings related programs (public and private pensions) produce a substantial increase in average real incomes but also to a substantial reduction in income inequality among the elderly, due mainly to C/QPP benefits. Rising real incomes went disproportionately to lower income seniors contributing to the well-known decline in low-income rates among the elderly.

Thus, beginning only with a universal component, the public retirement income regime in Canada came to have a complete mix of social citizenship components: programs to fight poverty (GIS); quasi-universal entitlements (OAS); and insurance (CPP/QPP).¹⁷ Its relative resilience in the face of an ageing society is sometimes attributed to this mix.

The second major program that emerged in the 1960s out of the universal ones of the 1950s is the pan-Canadian health care system, passed into federal law in 1968. It incorporated the 1957 hospital insurance scheme, extending it to cover primary care of all sorts.

Governance issues were important in the decision to establish a pan-Canadian health system in 1966, as was a sense that this system was an expression of common citizenship (Maioni, 2001: 74).

Part of the federal government's rationale for engaging in cost sharing and limiting decentralization was to avoid the development of a "crazy quilt" of provincial health insurance programs by making federal money contingent upon the provinces' upholding certain principles of universality, comprehensiveness, portability and public funding. The goal was to ensure that Canadian taxpayers' money would be used to help finance publicly accountable health insurance systems that ensured the *same basic* social protection among Canadian citizens, regardless of their province of residence. An additional idea was implicit in this health care model: that social benefits, including health benefits, contributed to regional equity in Canada and reflected a "common Canadian citizenship."

This connection to citizenship reappears frequently in current debates about Canadian identity as well (Maioni, 2001: 72).¹⁸

When Canadians are asked what sets them apart from Americans, a substantial number invariably mention the health care system as a distinctive feature of the Canadian identity (National Forum on Health, 1997). Most Canadians consider health care, in common parlance, a right of citizenship. Even though health care is a provincial responsibility, the presence of the *Canada Health Act* reinforces the symbolic link between being "Canadian" and being a recipient of health care services. Indeed, the principles outlined in the legislation (accessibility, comprehensiveness, portability, public administration, and universality) are considered the "norms" of the health care system. In particular, the emphasis on universal coverage, equal access and portable benefits has come to define the citizenship dimensions of health provision in Canada.

¹⁷ It also has a tax expenditure component that provides the most benefit to middle- and upper-income earners and seniors, that is those with enough disposable income to take advantage of tax exemptions under the Registered Retirement Savings Plan (RRSP). Such tax expenditures are also accessed by the self-employed or others, who do not have a private pension plan linked to an employment contract.

¹⁸ Public opinion polling in 1999 found 89 percent of Canadians felt that *universality* is "very important," 81 percent said the same for *accessibility*, and 79 percent for *portability* (Maioni, 2001: 72).

This said, however, it is important to recognize that while health services in Canada are considered universal benefits, there is no constitutional requirement for governments in Canada – either provincial or federal – to offer such benefits to citizens. They are legislated, not constitutional. The result for governance is that the federal government is obliged to offer financial incentives (and the threat of financial penalty) to ensure provincial compliance with its preferences expressed in the *Canada Health Act*.

Canadians are having difficulty coming to terms with pressures and demands for new forms of governance in the health care sector. Four different issues of governance have come to the fore. These are: (1) the respective roles the federal and provincial governments, that is, governance across levels; (2) the extent to which governance should include market-based decision-making; (3) the ways to decentralize service delivery to meet local needs; and (4) the allocation of powers and decision-making capacity within the system.

The original program designed in the late 1960s was one for which the federal government assumed a great deal of responsibility by agreeing to fund half the cost, in exchange for setting certain minimum standards that were common across the country. Over time, it has reduced its role by cutting back substantially on its financial contribution. By setting limits on how much money it is willing to inject into the system, the federal government has forced provinces to take responsibility for hard policy choices about which kinds of services to provide, to whom, and under what conditions. Governments have also called more and more on the Third Sector to provide services such as home care, which in Canada were never part of the public regime.

This form of governance makes the universal benefit a fragile one, and helps to explain why as the recent Commission on the Future of Health Care in Canada (the Romanow Report) among others found, Canadians feel threatened by the move toward greater privatization of the system as well as by cutbacks in funding undertaken by the federal government, such as the major reduction associated with the introduction of CHST in 1995. This is a concern that difficulties in governance are undermining social citizenship.

5.0 Governance and Citizenship – Concluding Remarks

These examples of three logics of social citizenship have shown that there is pressure within each to provide alternative forms of governance. Because Canada is a federal system all of these policies and programs have had consequences for intergovernmental relations, including their form and the level of conflict. But beyond these governance challenges are others. They relate to the role of non-state agents, and especially the Third Sector in the delivery and maintenance of programs of understood to provide social citizenship. Thus there are two questions:

- Are unwieldy and conflict-ridden governance practices in intergovernmental relations undermining social citizenship by prompting reductions?
- Is the turn to the Third Sector to deliver social programs a weakening of rights, both for the recipients and workers?

The answer with respect to intergovernmental relations is a complicated one. It is the case that the federal governments focus on reducing the deficit and certain provincial governments' enthusiasm for neo-liberalism has brought reductions in spending and rights. However, there is also evidence of significant redesign of social architecture, to meet new needs. Therefore, for the moment the jury is still out on the answer to the first question. With respect to new governance practices and the Third Sector, there is even more cause for concern.

In the case of anti-poverty strategies, the tendency is to increase the role of the Third Sector. While it has always existed, because non-profit agencies and associations have always provided services as charity or to supplement public services, enthusiasm for this type of off-loading has grown in recent years. As in the French discourse of social citizenship, associations in the Third Sector appear to provide possibilities for reviving active citizenship.

It is in many ways a vision of service provision that is the opposite of the professional, universal and centralized form of service that underpinned Canada's health care system in its heyday. If universal access to health care has come to represent the epitome of post-1945 social citizenship, a strengthened Third Sector is proposed by activists, academics and governments as a response to the job scarcity, poverty and social exclusion that characterizes the current situation (see Section 3). It is intended to provide access to services at a time of cutbacks in public spending while offering an alternative to fully marketized rules of access. Therefore, in both its service delivery and its governance structures, it is meant to foster a more inclusive citizenship.

Those who promote a strong Third Sector as a tool for citizenship building explicitly identify its implications for governance in two ways (Jenson, 2001b: 12-13). First, fostering such activities directly indicates the importance of the not-for-profit sector. Proponents identify the organizations of the Third Sector as potentially even better positioned to address problems of unemployment and poverty, and of social exclusion and lack of full social citizenship. These organizations are often considered ideally located to respond to the needs of their local communities, by mobilizing community resources to create jobs and social services that the market will not and the state is unwilling to provide. As well, the Third Sector has its own forms of governance – its principles are those of democratic participation, self-management, and

maintaining links between workers and the broader community. It is therefore a decentralized form of service provision, which provides space for engagement and capacity building.

It is important to sound several notes of caution, however (Shragge, Graefe, and Fontan, 2001). Sometimes public services that had been provided as a right of citizenship are withdrawn in favour of services when a Third Sector agency is available and willing to provide them. This decentralization of service delivery to the private, albeit not-for-profit, sector can result in uneven and limited access. Organizations may provide access to services according to their own mandate and their own criteria, thereby transforming a citizenship right into a privilege. Therefore, many argue that the benefits of such new forms of governance must be coupled with a renewed state commitment to protecting broad social rights, and by assigning significant public resources to the goal of reducing inequalities among communities.

Moreover, a turn to service delivery via the Third Sector may generate new forms of social and economic inequities, despite the key goal being social inclusion. In effect, reducing state provision of services also means changing labour markets. When public services are provided by public servants, wages and working conditions tend to be good. In other words, a public sector job is often a means to improved life chances, especially for categories of the population that traditionally have difficulty accessing good jobs in the private sector. Jobs in the Third Sector, in contrast, may be lower-paid, while some significant portion of the labour may be provided for free, by volunteers. Thus, services such as home care, which, in the past might have been provided by a reasonably well-paid public employee, are now provided by an employee who may be working at the minimum wage or even below in order to gain experience and the skills needed to enable her insertion into the labour market or by a volunteer.

All of these concerns underline the fact that governance, social citizenship and social policy are closely connected. Changes to social policy and altered forms of governance must be assessed as to their consequences for social citizenship.

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Appendix A. Why We Will Not Simply Adopt the Usual Conceptual Framework of Three Welfare Regimes

In the last 15 years, analysis of social policy has almost universally adopted the typology of welfare regimes developed by Gøsta Esping-Andersen (1990). In his work, he identified three ideal-types:

- The liberal welfare regime, which is the category into which Canada falls, along with the United Kingdom, the United States and a number of other countries. These regimes, focused on fighting poverty, use means-tested and targeted programs to do so, and general taxation as the resource basis. The state has responsibility for redistribution and equity, but only in a selective fashion.
- The conservative-corporatist regime, which is the category into which France falls, along with several other countries of continental Europe. Such a regime seeks to respond to risks to income security by replacing lost revenues, and they use social insurance programs to do so. Therefore, workers and employers share responsibility for redistribution and equity, both by their payroll contributions and their management of the insurance system, even if the requirement to maintain a regime is established by law.
- The social-democratic regime, which is the category into which the Nordic countries fall. In this regime, the goal is to ensure more or less equal income and services to everyone, and programs are based on universal access for all citizens or residents. Funding is from general taxation.

This typology is very useful but we will not adopt it as the organizing notion here for several reasons:

1. There are other labels and names that have been used, and they are equally interesting. For example, Jenson, Mahon and Phillips (2003) treat Canada as “social “liberal.”
2. A number of experts are now arguing that particular countries, as they reform their regimes in response to the socio-economic shifts discussed in Section 4, are generating “hybrid regimes” (Hemerijck, 2002: 213), and these might lead to new policy mixes.
3. All agree, including the creator of the classic typology, that this is a moment of potentially immense change, and that “we are heading towards yet another historical regime shift” comparable to those at the end of the 19th century and in the 1930s-1940s (Esping-Andersen *et al.*, 2002: 2; 1). We might call this a time of paradigm change (Jenson, 2001a).

Many welfare regimes, including Canada’s, are involved in what Anton Hemerijck (2002) calls “self-transformation.” By this he means that governments and the institutions of governance in Europe are actively and consciously engaged in “recasting” or redesigning their policy mix in order to “modernise social protection.” They are thinking through and debating options, policy learning is going on, and new institutions are coming into being.

Given that attention to “modernizing” and reform are similarly at the source of this document, the notion of *policy mix*, rather than regime, seems useful in this context of change.



