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**CHALLENGES AND OPPORTUNITIES FACED BY EUROPEAN WELFARE  
STATES: THE CHANGING CONTEXT FOR CHILD WELFARE**

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**From one policy paradigm to another?  
The place of children in welfare state reform  
in Canada and Britain**

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***Abstract***

In the recent decades of welfare state reform, policy-makers have assigned policies for families and children a new place in the policy paradigm. In countries where no explicit family policy was created after 1945, one is now being added to the social policy basket. Indeed, in some cases improving the circumstances of children has become the key metaphor for reform. In countries which have had an explicit family policy for decades, new goals and key levers have been identified, such that the policy logics differ from those that dominated the “golden age” after 1945 and even neo-liberalism after 1979-80.

Drawing of the research of a team of sociologists and political scientists based at the Université de Montréal ([www.fas.umontreal.ca/pol/cohesionsociale](http://www.fas.umontreal.ca/pol/cohesionsociale)), my paper makes several points:

1 – The failures of classical neo-liberalism à la Thatcher and Reagan (bringing high rates of child and general poverty, welfare traps, pressures on social policy systems and so on), have generated a variety of reform efforts. In the most general way these involve: the redesign of programmes for income support; labour policies to increase employment rates, usually termed “activation”; and pension reform. In turn, these first sets of reforms have destabilised the existing policy logics of family and child policies. New needs for publicly supported care have become evident while in some countries a demographic deficit is identified.

2 – In *some* of the liberal welfare states (this paper examines Canada and Britain) this response to neo-liberalism has taken the form of a social investment perspective. Policy makers identify the need for social investment to ensure everything from the capacity to innovate and therefore compete in the knowledge-based economy to the capacity to break the “cycle of poverty.” A *social investment* perspective has replaced one of *social protection*, with the idea being that there is a need to focus on the future more than the present.

3 – One result of policy-makers embracing the social investment perspective is that *children* and families have moved to centre stage because their circumstances correspond best to the idea of “investment”.

Two quotes from the Speech from the Throne<sup>1</sup> of the Government of Canada illustrate this perspective:

- 2 February 2004 – “The future of our children is, quite literally, Canada’s future.”
- 30 September 2004 – “Five years ago, Canada’s governments launched the National Children’s Agenda, engaging Canadians in every part of the country on how to ensure that all Canadian children have a good start in life; that families with children have the tools they need to provide care and nurturing. No investments have greater payoff. No investments do more to break the cycle of poverty and dependency, and to maximize the potential of every Canadian.”

These quotations illustrate both the way the language of social investment is deployed and the justification for a major policy initiative that has brought a fundamental redesign of the logic of income support programmes in Canada, at both the federal and provincial levels, and the patterns of public spending on early childhood development, child care, and so on.

In Britain, the social investment perspective has also been important to the projects of New Labour, but the constitutional and political situation of that country differ significantly from Canada and one result of these differences is seen in the deployment of the social investment perspective.

There is clearly a language of investment that puts children at the centre, as these quotations illustrate:

- Prime Minister Tony Blair, *The Romanes Lecture*, Oxford - 2 December 1999: “Our number one priority for investment is education. The reason for this is simple. In the 21st century, as we forge a new progressive politics on the centre-left, the battle of this century between the 'economic' and the 'social' will end. The old dispute between those who favour growth and personal prosperity, and those who favour social justice and compassion, is over. The liberation of human potential - for all the people, not just a privileged few - is in today's world the key both to economic and social progress. In economic terms, human capital is a nation's biggest resource. Brainpower, skills and flexibility - not cheap manual labour - are the key to competitiveness and productivity. In social terms, the old basis of civic society, built around deference and hierarchy, will not do. Today's people will accept citizenship on nothing less than equal terms - opportunity to all, responsibility from all.”

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<sup>1</sup> In the Canadian Westminster-style political regime, the Speech from the Throne (termed the Queen’s Speech in Britain) is a privileged moment for announcing government policy. It provides the opportunity to place policy actions within a general perspective, explaining both the reasons why, for example, certain policies for children and families will be proposed, and the ways those policies fit with other policy choices such as, for example, foreign policy or environmental policy. The Pre-Budget documents in Britain serve a similar purpose.

- Speech by Prime Minister Tony Blair to on tackling poverty and social exclusion, 18 September 2002: Results from similar programmes in the United States show that for every \$ invested in early years \$7 is saved in better educational outcomes, better jobs, and, crucially, reduced crime. This shouldn't be looked at as something we're handing down to people, it is part of what the community is doing itself.
- Delivering Saving and Assets. The Modernisation of Britain's Tax and Benefit System, Budget Document Number Nine, November 2001: "It is proposed that the Child Trust Fund, by providing all children with access to a financial asset around which their families and they themselves can start to save, tied in to financial education delivered through the school curriculum, would help develop the saving habit in future generations. It would also provide young adults with access to a financial asset at a time when they are starting their productive lives."

In Britain, children have been a focus of the government's strategy for reforming income supports and fighting poverty (via the use of tax credits and *Sure Start*, for example). They have also been a clear target in the use of the *Opportunity for All* discourse as well as that of *assets and saving*. In New Labour's second term, the focus on investments in public services has also made the education system very important, with the theme of opportunity coming through clearly there as well.

4 - One result of the adoption of a social investment perspective has been a redrawing of the portrait of the "model citizen." In the post-1945 years the model citizen was clearly the adult wage-earner who was in need of social protection in order to care for his (or her) family when market wages were insufficient. Currently, a second image of the model citizen competes with the adult. This is the citizen-in-becoming, the child who needs solid opportunities – and services - to grow and thrive in order to take her place as a contributor to the new knowledge-based economy. In this scenario, adults, whether parents or others such as government leaders, have the responsibility to protect this future, by providing superior care in the present as well as by planning ("investing") in the children's future. A focus on social investment provides a foundation for a range of asset-based instruments, such as publicly provided learning bonds, Britain's Child Trust Fund, and so on. It also, in the case of Britain, underpins the major attention devoted to investing in schools, treating schools as one central locale for the reform of public services.

5 – A second result has been a challenge to the earlier policy paradigms that organised family and child policies. In Canada this has involved shifting from a *family responsibility* paradigm to one of *investing in children*.<sup>2</sup>

	<b>Family Responsibility Paradigm</b>	<b>Investing-in-children Paradigm</b>
<i>Who has responsibility for</i>	Programs for young	Programs assume that

<sup>2</sup> For the analysis underpinning this schema see Jane Jenson, "Changing the Paradigm. Family Responsibility or Investing in Children," *Canadian Journal of Sociology*, 29:2, 2004, 169-94, at [www.arts.ualberta.ca/cjscopy/](http://www.arts.ualberta.ca/cjscopy/). For an earlier version of the text see Caroline Beauvais and Jane Jenson, *Two Policy Paradigms: Family Responsibility and Investing in Children*, Ottawa: CPRN F12, 2001, at [www.cprn.org/en/doc.cfm?doc=177](http://www.cprn.org/en/doc.cfm?doc=177)

<i>child well-being?</i>	children assume that parents are responsible for all decisions, unless they put their children at-risk. Experts from the child protection become involved only when parents “fail.”	parents play the primary role in their children’s lives but that other actors are also important. This involves partnerships – with parents, the voluntary sector, among governments, and with experts.
<i>What is the logic of access to income transfers and benefits for families with children?</i>	Benefits are delivered to adults, in accordance with their relationship to the labour force. A key factor is whether they are “in” or “out” of the labour force.	Adults gain access to many social benefits and income supports because they have children under 18.
<i>What assumptions about the labour force participation of parents shape this thinking?</i>	While a single salary is assumed to be sufficient to support a family, mothers may “choose” their relationship to the labour force by deciding whether to seek a job or provide full-time parental care.	Labour force participation is encouraged, supported and sometimes required of parents, especially those with low incomes.
<i>Which services and supports exist for non-parental child care and child development programs</i>	There are few incentives to use a particular form of non-parental child care. Parents are left to choose, based on their own resources	Early childhood initiatives, including high quality non-parental child care, are key instruments.

This shift in paradigm has had significant effects in policy design, both those of the Government of Canada and those of some provinces (for example, Quebec, Manitoba, Saskatchewan). However, a lack of consensus about the legitimacy of the investing-in-children paradigm and on-going competition from neo-liberalism in several provinces (for example Alberta and Ontario) has meant that the paradigm is not yet fully in place.

6 - In Britain, there has been a similar move to improved provision of support and services for children, but there is similarly a good deal of attention to public services as a right of citizenship and new investments as the way to get to them. Education is, as we have noted, a key focus of investment and early years initiatives are linked to it.<sup>3</sup> In addition, the Blair governments have been less enthusiastic about using the language of a shared public-family involvement in children’s well-being, as described here in the

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<sup>3</sup> “In our future programme we will set out how to knit these various elements together into full co-ordinated under-fives provision so that in time we accomplish, for the first time in Britain, a nationwide universal early years service for under fives based around the personal needs of each child and their parents. This will be a new frontier for the welfare state and the education system, bringing together education and care. Primary schools will have a crucial part to play, alongside other partners.” Speech by Prime Minister Tony Blair to the National Association of Head Teachers, Cardiff, 3 May 2004.

Canadian discourse; care is always taken to assure parents that the goal is not to change parents' choices about child-raising. Moreover, the commitment to activation is somewhat weaker, with female heads of lone-parent families as well as two-parent families still retaining significant possibilities for substituting parental caring for labour force participation.<sup>4</sup> Therefore, it is harder to identify a paradigm shift in the UK, despite the rising levels of spending on child care, tax credits, nursery and early childhood services.

7 – An account of the reasons for stability or change would refer to institutional factors, such as the distribution of policy competences (the Government of Canada can not spend directly on education, for example) and the influence of the European Union. It would also refer to the patterns of political conflict within each political system (for example, among the three B's of Blair, Brown and Blunkett) which has meant, among other things, a very strong link between crime and investment, a link that is absent in Canada.

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<sup>4</sup> “Our approach is to give all families more help, whatever their choices, whether they work full time, part time or stay at home with their young children.”, Speech by Prime Minister Tony Blair to the Daycare Trust, 11 November 2004.

Slide 1



Canada Research Chair in Citizenship and Governance



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prepared for *Challenges and Opportunities  
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Slide 2

**Child and family policies  
in welfare state redesign**

In recent decades, new logics and instruments, different from the “post-war settlement” and neo-liberalism have been put into place :

- Countries with no explicit family policy after 1945 have begun to develop one, which then became the locale for income support, care responsibilities and so on.
- Countries with a family policy have begun to redesign and rethink key elements – especially care, income support, and labour market participation.

*Children’s circumstances = key metaphor for reform.* 

Slide 3

## Presentation

- This shift examined in two cases: the liberal welfare regimes of Canada and Britain
- Based on work of a research group centred at the Université de Montréal:

[www.fas.umontreal.ca/pol/cohesionsociale](http://www.fas.umontreal.ca/pol/cohesionsociale)

- Presentation in seven points.



Slide 4

## 1 – Effects of new sociological and demographic situations plus failures of neo-liberalism

### Factors common to a variety of regimes:

- Demographic patterns ? concerns about financing, sustainability, and care.
- Increases in women's labour force participation rates ? concerns about care, health, reconciliation of work and family.
- Politics of neo-liberalism ? high rates of poverty, welfare traps, lack of sustainability.

**Neo-liberal policies destabilised the existing policy logics of family and child policies.**



## 2 - Political responses

Aspects common to a variety of regimes:

- Redesign of programmes for **income support**
- Politics of **activation**, to increase employment rates
- Pension reform
- Redesign of policies for care

In liberal welfare regimes, there has been a move to a **social investment perspective:**

- Future oriented – present less important than **future**
- Focus on “breaking the cycle of poverty” and creating conditions for innovation in knowledge-based economy
- **Social investment displaces social protection**



## 3 - Consequences for policies for children and families

*Children and families have moved to centre stage of reform discourse because their circumstances best represent the idea of “investment”.*


Examples from Canada:

“The future of our children is, quite literally, Canada’s future.”

“Five years ago, Canada’s governments launched the National Children’s Agenda, engaging Canadians in every part of the country on how to ensure that all Canadian children have a good start in life; that families with children have the tools they need to provide care and nurturing. No investments have greater payoff. No investments do more to break the cycle of poverty and dependency, and to maximize the potential of every Canadian.”

New Instruments

- NCB
- Learning bonds
- ECDI
- Child care programmes



## Consequences for policies for children and families - Britain

New discourse: "It is proposed that the Child Trust Fund, by providing all children with access to a financial asset around which their families and they themselves can start to save, tied in to financial education delivered through the school curriculum, would help develop the saving habit in future generations. It would also provide young adults with access to a financial asset at a time when they are starting their productive lives."

Notion of shared responsibility: State support but individuals have responsibility for their own investments too

### New Instruments:

- Income support - tax credits for families
- *Sure Start* and child care places
- Assets and savings
- Reform of education



## 4 – Consequences for citizenship


### Competing visions of the model citizen

- After 1945, model citizen was clearly an adult (whether male breadwinner or not).
  - Social protection addressed his/her needs when markets and families failed to provide sufficiently, because of unemployment, old age, family size and so on.
- In the social investment perspective, the **child as the model citizen** has considerable legitimacy (and effect).
  - Social investment policies must ensure *opportunities* and conditions for successful development ("outcomes").
  - Parents and states share responsibility for planning (investing) in children's future.



**5/6 – One result is shift in paradigm organising child and family policy – differences across countries**

	Family Responsibility paradigm	Social Investment Paradigm
<i>Who has responsibility for child well-being?</i>		
<i>What is the logic of access to income transfers and benefits for families with children?</i>		
<i>What assumptions about the labour force participation of parents shape this thinking?</i>		
<i>Which services and supports exist for non-parental child care and child development programs?</i>		



**7 – Has there been a paradigm shift?  
How to account for it?**

- Clearer in Canada than Britain, for central government
- In both cases, significant political conflict:
  - In Canada, due to **across** intergovernmental relations and legitimacy of neo-liberal family responsibility positions in major provinces
  - In Britain due to conflicts **within** the New Labour government, between visions of New Labour as well as visions of social investment: Blair, Brown (and Blunkett)

