

The Implications of Changes in the Nature of Work for Approaches to Education and Income Distribution in Canada



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Basic changes are occurring in the nature of work, in North America as well as in the European Community. Information technology has hastened the advent of the global economic village. Jobs Canadians once held are now done by smart machines and/or in other countries. Contemporary rhetoric proclaims the need for escalating competition, 'leaner and meaner' ways of doing business, a totally 'flexible workforce.' What a large permanent reduction in the number of secure adequately-waged jobs might mean for communities, families and the individual Canadian is not being discussed.

This Workshop brought together a group of people from a variety of backgrounds to discuss what changes in the workplace, in educational institutions, and in income distribution mechanisms will be required in Canada as a result of these new realities. Workshop participants developed a research and action agenda to address these challenges. They also agreed to serve as an on-going network to conduct needed research, promote informed public discussion of the issues, and bring other interested people into these activities.

The Workshop secured sponsorship at the University of Waterloo from the UW/Social Sciences and Humanities Grant Fund, the Centre for Society, Technology and Values, and the Faculties of Engineering and Environmental Studies. Communications Canada also provided support. This report on the Workshop and on subsequent network activities will be circulated to participants, sponsors and other interested parties.

Background

Rapid technological change and the globalization of economic activity (The Economist, 1993) are re-structuring the North American economy, and with it the nature and future of work. In North America, permanent loss of an estimated hundreds of thousands of manufacturing jobs has occurred during the past decade (Ide & Cordell, 1992). With much of the service sector now in the process of being automated and computerized, there is a clear question as to whether secure, full-time, adequately-waged employment will be available to the Canadian workforce, at least over the next 20-50 years, or whether 'jobless growth' will become the norm (Province of Ontario, 1989). The latter conclusion is steadily gaining credence (Globe and Mail, 1993). This conclusion, and the statistical trends that engender it, are part of the public record (Economic Council of Canada, 1990).

The implications of this problem/opportunity situation must now be addressed for two fundamental societal tasks: [1] the distribution of income (i.e. of the "social product"), traditionally tied to work for wages with which to purchase goods and services, and [2] education, where objectives and methods have traditionally been geared to creating "employees" of varying levels of ability. In Britain, where structural unemployment has been seen as a problem for more than a decade, analysts such as James Robertson (1985; 1989) early on began a serious dialogue about what social changes are needed to meet this challenge.

Responses to Changes in the Nature of Work: Rethinking Income Distribution

If there are going to be fewer secure, full-time, adequately-waged jobs in the future, justice dictates that we cannot continue to penalize and stigmatize people who cannot find such positions. Alternative, socially-acceptable mechanisms for distributing income must be studied and adopted. The positive aspect of this situation is that many jobs are so dirty, dangerous or monotonous that their elimination or automation can be welcomed. However, society's current responses to these structural changes, as well as to cyclical unemployment, are not notably effective.

[a] One response is the family with two wage-earners, neither of whom alone could provide an adequate income but between them sometimes can, even working at low-paying, part-time, intermittent jobs. The child-care and youth-supervision needs created by this response have not begun to be adequately addressed by decision-makers.

[b] Another traditional response is retraining for school dropouts and people made redundant by layoffs and closings. The contemporary puzzle is 'retraining for what?' While basic educational upgrading for an unemployed person is increasingly recognized as the best investment in a world of rapidly-changing skill needs, the problem of fewer available jobs, especially for those with only a high school education, still remains.

[c] Job sharing, another approach, spreads the work but not the wage.

[d] Mounting large public or private sector projects that create (usually temporary) employment is a constant temptation. While some projects address real societal needs, others are promoted at least partly for their job-creating function (e.g. a pipeline to bring Lake Huron water to southern Ontario; six-lane highways between Toronto and Cambridge; soft-coal mining in Cape Breton) and can involve negative environmental impacts.

[e] In Canada, we are accustomed to dealing with cyclical recessions and regional economic problems by supplementing earned income with various types of government transfer payments. Where employment and wage levels have historically been high, as in Ontario, economic self-support is almost universally perceived as the norm and recourse to any but universal transfer payments is seen as deviant and the mark of failure. In areas such as the Maritimes, where limited employment opportunities have been the norm, government transfer payments are, reluctantly, more accepted as a necessity. In all cases, the damage to individual mental health and to family functioning caused by unemployment is well-documented (Kates, 1990; Fineman, 1987).

None of these responses can be considered adequate to deal with the problems associated with very long-term structural unemployment (Ekins, 1986; Lerner, 1990). Yet Canadian society must develop ways to deal with it in order to reduce its human costs, avoid its probable unpleasant socio-political consequences, and provide a new framework for all Canadians to contribute positively to societal well-being. It is now imperative to identify alternative approaches to distributing goods and services, and to study both the conditions for their implementation and their probable impacts with respect to the goal of societal sustainability. This was one focus of the Consultation Workshop.

Responses to Changes in the Nature of Work: Rethinking Education

If obtaining secure, full-time, adequately-waged employment cannot, and perhaps need not, be offered as the primary goal of everyone coming of age in Canada, then the objectives, methods and very structure of formal education need re-examination. This is, in any case, a time of questioning the philosophy, delivery and effectiveness of education in Canada, questioning driven by heightened parental concern about their children's occupational futures in a competitive global economy with few buffers. Without attempting to detail the voluminous literature on alternate approaches to education, it can be said that few proposals have conceptualized education as anything except a process with the nearly sole objective of producing young adults whose major role in life is that of 'employee'. Most critics of our current educational system simply want that objective achieved more efficiently and effectively. It is now important to examine new directions for education in the context of structural changes in the nature of work in North America.

The second focus of the Workshop was to discuss the issues inherent in designing a new educational system that could provide not only the basic foundational skills on which all learning depends, but also the broader range of

skills, interests and concerns that would enable people to play a richer variety of roles in a society that has less need of 'employees.'

The Workshop

I. Identification of Issues to Be Addressed, Re-Framing the Issues, Building Consensus

At the outset of the Workshop, the urgent need for social innovation was discussed in terms of breaking out of old forms, 'unfreezing' our institutions so we can respond to change, re-defining ourselves and deciding what is meant by 'quality of life.' Participants agreed that issues related to basic changes in the nature of work must be accurately stated (for example, the possibility that there will not be enough full-time adequately-waged 'jobs' for all who want them) and a wide public dialogue on these issues created. The need is seen to establish the legitimacy of alternative views of the problems and solutions, as against both the views of neo-classical economists who believe the market will soon return the economy to equilibrium and the 'collective denial' of those politicians who have no solutions and therefore distance themselves from the issues.

The emerging problems must be addressed effectively by reapportioning resources and re-designing institutions that no longer meet our needs, so that social consensus rather than polarization can be created as people face what is seen as threatening change. A new consensus could lead to new, hopeful questions such as how to harvest the fruits of automation and distribute them, and thus, of necessity, to new public policy.

A major and urgent challenge was seen to be that of how to prevent the destruction that ensues when change evokes defensive tribal responses. Equity issues were the focus of much of the initial discussion; there has been increasingly too strong a trend to trade off equity for economic interests. How to bring about a fairer distribution/redistribution of paid and unpaid work, income, wealth, and power -- and how to generate the resources to do this -- were seen as the most fundamental set of questions underlying the issues addressed by the Workshop.

Work: Paid, Unpaid and 'Own'

The question of how properly to value the unpaid work in society -- child rearing and elder care, housework, home repairs, community service, volunteer activities of all sorts -- was seen as particularly important. The existence of less paid employment could at some point lead to paid employment being shared more equally, leaving many individuals with less income, but more time to engage in activities that are currently not paid for.

Options were discussed, including some form of job sharing coupled with a basic income for all and with the proviso that individuals contribute, or continue to contribute, certain amounts of their time to socially-valued but currently unpaid activities. All options for addressing the current and oncoming basic changes in the nature of work will require explicit discussion of: what kinds work are necessary for a society to survive and thrive, how that work should be apportioned, what value should be placed on each kind, and what rewards should be provided for each. The concern for equity in this context was variously expressed: the gap between the highest and lowest wages in society must be narrowed, workplace organization must become more 'horizontal' and less hierarchical, and people and communities must have more choices about, and control over, their destinies.

The Need to Share Responsibilities

Externalizing the personal and social costs of restructuring the private sector (mental illness, substance abuse, family breakdown, for example) was seen to be as unacceptable as externalizing the environmental costs of industrial activity (pollution, loss of habitat, human health effects). If there are not adequately-paid 'jobs' for everyone, due to increased productivity or exporting work out of the country, then all of us, but especially those who reap the rewards of economic restructuring, have a responsibility to provide resources to prevent the well-documented negative effects on individuals of being 'unemployed' and stigmatized, and the community consequences of all this.

It was noted that our society has been premised on a social compact with each generation that by meeting all the educational requirements and playing by the rules, each person will have the opportunity to find work that will

pay enough to provide for personal security and the formation of a family. When society cannot honour this compact, then it has a responsibility to acknowledge the new realities and re-design work, income distribution and education so that all members maintain a strong sense of being productive and valued, of 'belonging' in the community. Ensuring that people have the time, skills and resources to do their 'own work' in arts, crafts, music, parenting and other activities that they find self-fulfilling was emphasized as an important way to maintain human dignity, mental health and community vitality.

Participants agreed that any institutional re-design will have to take into account the demographics of an aging population, as well as the fact that there will continue to be people in society who cannot participate in paid work and who will always need help.

Striking a Balance

New ways of working and living must be designed to create or restore 'balance' at individual, community and societal levels. For example, while many people in North America must (or feel they must) maintain so heavy a work schedule that they have little time for family and leisure activities, some now say they would prefer more leisure and work flexibility to more money (Schor, 1992). However, this trend would not be found among the increasing number of people who work long hours at low pay with little security and almost no options. Thus, while job-sharing in its various versions (including a shorter work week) was seen as a viable option for bringing better balance to some individual lives as well as to the distribution of paid work, it was not endorsed as a panacea. The need for more research on its effects was later noted.

'Quality over quantity' was suggested as a future direction for Canadian society. Participants discussed the need to move away from consumerism and materialism, and suggested that the mass media, especially television, promote and reinforce people's perceptions of material possessions as the major source of a sense of self-worth. In the context of the probable need to 'prepare for diminished (material) expectations,' might people be encouraged to develop a more balanced, less materialistic sense of what makes for a good life, and to see reinvigoration of the 'civic common' of publicly shared goods as a worthwhile goal? How social solidarity can be created in large urban areas was seen as an especially vexing problem.

Discussing the need for a balance between technological change and social stability, participants questioned whether it would be possible to control the pace or nature of technological innovation. In this context, as well as others, it was noted that the nation-state currently has little power to control the activities of some trans-national corporations.

Discussion of whether and how this imbalance might be corrected led to the research suggestions noted below.

II. A Research Agenda

Following this general discussion of issues and questions raised by the fundamental changes taking place in the nature of work, participants identified research initiatives that would help to answer the basic questions about those issues over which Canadians can have some control or influence. They flagged the following research needs:

1. Determine what data we now have, and what additional research is needed, on changes in the nature of work.

For example:

- * numbers and types of jobs lost and created, past and projected
- * skills polarization, the fate of the minimally-skilled and unskilled
- * part-time and contingency aspects of the organization of work

- * shorter work life (early retirement)
- * changes in opportunities for women, men, youth, age groups
- * later and less assured workforce entry for post-secondary graduates as well as less-educated youth
- * the alleged 'mismatch' between available skills and available jobs

Determine how needed data can be obtained. (Some participants cautioned that devoting significant energy and resources to marshaling 'proof' that there are problems could stall indefinitely any efforts to prepare for, remedy and prevent them.)

2. Review European Community programs and experiments involving income allocation programs and reduced working time.
3. Review the research on the outcomes of job training and re-training programs to determine what we know about them (for example, the extent to which there are more jobs and job placements a result of these programs; who gets placed, for how long, in what types of jobs; basic educational upgrading compared with skills-based programs) and what more we need to know in order to assess how well they address present and future problems.
4. Examine existing and needed research on outcomes of 'active' and 'passive' welfare programs.
5. Determine what data we now have, and what additional research is needed, on the social-psychological and economic effects of the changes in the nature of work on individuals, families and communities.
6. Develop a long-term research program on the generational impacts of labour market strategies (for example, effects on children of different types of training for their parents, versus no training).
7. Review the research on the stress and health effects of an individual's lack of control over job security, work decisions and work organization.
8. Examine options to reduce polarization between the overworked and the underemployed.
9. Create a 'human well-being index' to compare with per capita income indicators. Does well-being continue to rise indefinitely with income?
10. Examine all possible sources of revenue for programs of wealth and/or income redistribution, including ways to close tax loopholes, restrain the mobility of capital and capture a greater share of the fruits of technological change. Research is needed to answer this question: if the new technologies generated wealth, where did it go?
11. Review attempts elsewhere to tax the beneficiaries of job-displacing technologies, movement of jobs out of the country, and changes in work organization such as 'downsizing' and 'streamlining.'
12. Design research to develop a better understanding of the present attitudes and arguments concerning the social responsibilities of trans-national corporations.
13. Examine the decision-making processes of trans-national corporations.
14. Compare corporate codes of conduct and corporations' actual implementation records in order to identify areas in which it can be argued that legislation may be needed?
15. Explore ways to bring the arts into education and into the community to help people live their leisure well.

16. Examine the education of technical experts and their role in creating humane (or inhumane) work places.
17. Determine what the employment effects would be of moving to become a more ecologically sustainable society.

III. Public Agenda Activities

The final topic addressed on the first day of the Workshop was the need for participants to develop an agenda of activities to bring these issues into the wider public discourse. The questions, concerns and ideas raised were:

1. The group of participants at this Workshop will function as a network to develop ongoing research and action projects that address the issues we have identified. Our basic message is that there must be frank and informed discussion of the changes taking place in the nature of work, of their effects, and of what options we have to deal with them. This message must be loud and clear before we can influence the public and politicians.
2. There is a need and opportunity to develop academic back-up (research, briefing papers, etc.) for the activists and advocates on the 'jobs and incomes' issues.
3. There is a need to build coalitions -- among people inside government, people who shape public opinion, and beyond the elite to labour, women's, environmental and other groups -- to create critical responses to regressive actions. But we must be mindful of group process fatigue, and be ready to accept genuine shared development of agendas.
4. If we want to work with the media, we need to understand the different roles played by the print media and TV, and the relationships among them. We must work closely with professionals in the media in order to help them help us.
5. We need to understand the dynamics of what various groups of people are willing to put up with, in the context of what 'triggers' different groups to adopt change or become politically active. This might be a topic for research.
6. People are fearful of change because of the experiences of so many who have lost their jobs. We must be very specific and focused on what changes are being promoted, and how.
7. Environmentalism provides a fresh and necessary perspective for re-framing the social issues, and should be used to do it. The message should go out that 'job creation' that harms the environment is not desirable or sustainable.
8. Educational institutions will need to shake off certain inertias, such as the fixation on specialization, in order to nurture the visionary leadership and associated skills needed to deal with such fundamental change. We need to determine how to bring this change about.

IV. Taking Up the Tasks

On the final day of the Workshop, after some review of the research and action agendas we had created -- and agreement that we should constitute ourselves as a network to address these agendas -- the first working groups were created, with commitments to cooperate in getting specific research and action activities under way:

1. Material in the public domain on income distribution issues such as job-sharing and redirecting wealth will be collated with the purpose of circulating it to interested participants. The aim is to create an overview of what is known so that we can identify what additional research is needed to meet our research objectives.
2. Providing for public education about the issues is important.

* Discussion of the use of videos by an Ontario (Premier's Councils) policy forum, to be initiated soon, stimulated the suggestion that at this network should investigate creating a video, similar in tone and quality to Helen Caldicott's *If You Love This Earth* (possible title: *If You Love These People*) and to BBC's *Now the Chips Are Down*. This video could be distributed widely to community, church and union groups as well as secondary schools and post-secondary institutions to stimulate discussion of the issues raised by the changing nature of work, and to provide the vision and symbolism required to instigate change. A task group will develop this idea by obtaining information on costs (possibly as high as \$250,000), sources of funding, writers, producers and other necessities. It was noted that the task group should have a look at Laura Scott's recent video on Total Quality Management, since it deals with many of the changes in the nature of work that concern us.

* A course on 'work and society' issues, suitable for university and college students, as well as for the general public, will be developed at the University of Waterloo's Centre for Society, Technology and Values with input from members of the network.

3. We should seek out effective models for our network.

The Sparrow Lake Alliance was suggested as a possible model for our network. It has been concerned with children's issues for two or three years and includes 16 professional groups and six Ministries. It anticipates issues, waits for them to arise, then pushes information out for public discussion.

Another model is the National Forum on Family Security. The Laidlaw Foundation has commissioned a book (just released - November 17/ 93), which raises and discusses what are seen to be the major issues around family security. The group, including Fraser Mustard and Judith Maxwell, will organize regional symposia on the issues identified in the book. These issues focus on obligations, values, ethics and social welfare reform in a 'two-generational' context. Op-ed pieces are being prepared to accompany this effort, which has links to A. Etzioni's 'communitarian' group in the U.S.

4. Information on the lack of a tax on wealth in Canada and related topics can be obtained by requesting a copy of the Fair Tax Commission's Final Report, which will be published by Christmas 1993.

Write to: Fair Tax Commission, 1075 Bay Street, 6th Floor, Toronto, ON M5S 2B1 or FAX request to (416) 325-8235.

Ask also to be on their mailing list. A reporter, John Ferguson, is believed to be preparing an investigative report on the non-tax-paying wealthy; he will be contacted.

5. Initial task groups were formed to study a variety of broadly economic questions, with the proviso that other people be recruited from within and outside the group, as needed. The topics and task groups are:

* approaches to regulation of corporations, especially with respect to flight of capital, laying off workers, recapturing productivity gains. NB - a United Church task force, Churches and Corporate Responsibility, is looking at this in the context of pension funds and the role of their managers in influencing investment decisions;

* ways to generate 'domestic' capital at various levels -- local, regional, provincial, national -- but especially at the local level.

* the nature of economic globalization, including its effects on the sovereignty of the nation-state, the impacts of currency trading on price setting, the effects of harmonization, the possibly decreasing pace of globalization.

* impacts on communities, families and individuals of loss of a community's economic base and of downward mobility, lowered expectations, etc. NB - Newfoundland is being studied as a 'living laboratory' for examining these questions.

6. Alternate approaches to income distribution are to be examined by documenting as many experiments as

possible (e.g. single mothers' projects proposed in British Columbia, New Brunswick; the Manpower Demonstration Project in the U.S.) and by critiquing any moves in Canada to 'reform' UI into ineffectiveness. The Caledon Institute should be contacted for input on this topic. Another contact is the Centre for International Statistics (David Ross, Director) begun 18 months ago with Laidlaw Foundation seed money. This Centre has a Stats Can and European data base and will be doing a 5-year study of changes to work as well as the interface between the income security system and labour markets. With regard to income distribution, it was noted that the federal-provincial transfer agreement is coming up for review early in 1994.

V. Some Concluding Thoughts

Regarding our research initiatives, there is a danger of policy decisions being made fairly quickly by the new Federal government, before research results are in. As well, governments tend to look at each element of social policy in isolation, rather than link social policy with labour market policy. We should move in a timely way to initiate and complete our activities. It would be useful to have a diagram or other visual representation of the complete set of issues and how these are linked. This is in preparation. A possible next involvement for some members of this network is a proposed workshop on methods and issues -- including employment -- involved in planning the transition from an economy based on 'dirty' industries to one based on environmentally sustainable activities. A proposal for such a workshop, directed to the International Joint Commission, is in preparation and we will have more details soon which will reach you by e-mail or fax where that is possible, or by mail otherwise.

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