



Neoliberalism and Its Effect On Canadian Women In Poverty

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A protestor at the 2010 Toronto G20 Summit protesting oil subsidies

<http://globalwarmingisreal.com/2010/06/30/toronto-g20-summit-marked-by-inaction-on-climate-change/>

As globalization and neoliberalism have risen to the forefront of international politics in the last several decades, economic restructuring of governmental policies have been enacted in order to conform with the changing global context (Bashevkin 1994). The result from such restructuring has exacerbated poverty in already disadvantaged groups and further embattled those whom the policies initially intended to assist. In this paper, I will be exploring the negative influence of neoliberalism on poverty in Canada, specifically its impact on women in the lower socioeconomic sectors; the relationship between the government and women; and the importance of addressing women's issues in the context of welfare.

With the rise of global capitalism and neoliberalism, nations have had to restructure their national policies in order to conform to the current model in demand (Bashevkin, 1996). Due to stagflation in the 1970s and 1980s, it became too costly to fund welfare programs in many countries, producing a pattern of budget cuts well into the future (Breitkreuz, 2005). According to Sylvia Bashevkin (1996), the Mulroney era of the 1980s introduced the neoliberal ideas of a reduced welfare state, deregulation of the market, privatization, and individual initiative into Canadian politics. This neoliberal focus has continued into the present, some of which is apparent in the 1996 restructuring of the Unemployment Insurance program (UI) to what is now known as Employment Insurance (EI), and the replacement of the Canadian Assistance Plan (CAP) by the Canada Health and Social Transfer(CHST). Both of these plans, however, lacked accountability for women's specific social realities (Bashevkin, 2002; Breitkreuz, 2005; Grace, 1997).

In the 1990s, the province of Alberta introduced a welfare-to-work program that emphasized attending school and making efforts to pursue employment, in order to receive the

benefits from the program. At the same time, it became increasingly difficult to qualify for benefits due to newly established stringent regulations. These tight regulations were enacted to encourage self-sufficiency among the recipients. Paid work, however, including full-time work, does not always guarantee a sustainable lifestyle above the poverty line (Breitkreuz, 2005). Breitkreuz (2005) suggests that the installment of such programs invokes a negative connotation of those dependent on welfare, and that an individual's relationship with the labour market-- known as market citizenship-- is preferred over the model of social citizenship, where citizens are ensured a basic level of benefits. The transformation away from inclusive citizenship towards "liberal individualism", directs responsibility and projects blame onto the welfare recipient for the shortfalls of the market economy (Breitkreuz, 2005). Although initially instated to raise the country out of its debt, neoliberal policies have rather inadequately dealt with the underlying issues, consequently transpiring into "socially divisive and economically destructive" outcomes of poverty (Bashevkin, 1996).

When addressing the effect of neoliberal policies, greater focus must be directed towards women and their specific experiences and issues regarding poverty. One of the major concerns for women is the accessibility of affordable childcare--an increasingly scarce resource (Breitkreuz, 2005; Grace, 1997; Macdonald, 1995). According to Canadian Research Institute for the Advancement of Women (CRIA) on average, Canadian women have a significantly lower annual income than of Canadian men (Morris, 2000). The problem is further extrapolated by the fact that certain women's groups such as aboriginal women, visible minority women, and women with disabilities have an average annual income that is considerably less than other women in the rest of Canada (Morris, 2000). Often, women are unable to maintain full-time employment, due to responsibilities outside of the labour market, mainly childcare and eldercare (Macdonald,

1995). Therefore, women must juggle part-time work and unpaid childcare, subsequently working less and losing eligibility for EI benefits (Grace, 1997). Moreover, access to affordable childcare is one of the major determinants of poverty and sustaining employment (Bashevkin, 2005, Grace). Studies have shown that 56% of single-parent families are low-income women (Morris, 2000).

To improve this situation on the whole, Canadian women have campaigned against government cutbacks in areas of employment and welfare; promoting a centralization of spending, rather than in the hands of the provinces; and recognition of the realities of low-income women in the labour market (Breitkreuz, 2005; Macdonald, 1995). However, when disadvantaged women are unable to participate politically and voice their concerns due to family responsibilities and lacking funds, the female perspective is absent and democracy fails to represent the voice of the already underrepresented (Morris, 2000). Accordingly, the federal government becomes the agent of policy change, emphasizing the institutional reform of “legal rights [and] equal employment opportunities” (Bashevkin, 1996).

Over the last four decades, women’s issues have not gone completely unheeded, even by neoliberal-directed governments. Various organizations have cultivated a “national voice” for women, including those by the Canadian government itself (Bashevkin 1996). In the 1970s and 1980s, various groups specifically directed towards women were assembled, such as the National Action Committee on the status of women (NAC) in 1972; the Royal Commission on the Status of Women in 1970 (Bashevkin 1997); and the Status of Women Canada in 1971, a governmental vehicle addressing and analyzing federal policies and the impact on women (Macdonald). In later decades, the government enacted gender directed policies such as the *Federal Plan for Gender Equality* (Grace) and the Canadian Advisory Council on the Status of Women (Macdonald).

Despite the massive budget cuts during the 1980s, the Mulroney government did recognize the need to address certain women's issues, especially addressing discriminatory treatment of Aboriginal women under certain laws, and the lack of women in elevated government positions, including in the Cabinet (Bashevkin 1996). Soon after, other issues rose to attention, prioritizing issues of violence, family law, employment, abortion, legal equality and childcare (Bashevkin, 1996). Furthermore, the government funds groups targeting federal policy, like NAC, providing a minimum of two-thirds of their annual budget (Bashevkin 1996).

Despite improvements within this area, Bashevkin (1996) notes a loss of "common ground". Feminists were still dissatisfied with Mulroney's conservative government, claiming progress made was due to insistence and pressure from feminist groups, involving a struggle for results. As initiatives were employed, the government simultaneously countered any developments made; federally funded budgets of organizations like NAC were slashed as reduced-cost policies were instigated (Bashevkin 1996, Bashevkin 2002; Macdonald, Morris). In 1995, the Canada Assistance Plan- a program distributing nation-wide assistance with a cost-sharing between the province and the federal government- was eliminated for a decentralized approach, allocating discretionary power to the provinces, known as the Canada Health and Social Transfer (Bashevkin 2002, Morris). Without the regulation of federal guidelines, provinces could allot block-funding away from social assistance to reform social service programs entailing mandatory "work for welfare" (Bashevkin 2002, Breitzkreuz). The restructuring of social programs, like "welfare-to-work" often underaccount for the activities that occur largely outside of the workplace: domestic work, childcare, eldercare, and volunteer work (Macdonald). While theoretically welfare-to-work programs are not necessarily ineffective, it

fails to specify the circumstances for which the majority of poor women cannot receive access (Breitkreuz 2005).

In the 1990s, the Liberal government proposed a national child-care program but quickly undermined that decision at the introduction of the decentralist and budget cutting of the CHST (Bashevkin 2002). Most women, therefore, work less consistently, are underpaid in part-time positions and lack "differential access to socio-economic resources" (Grace). To tackle employment discrepancies, the transformation of the Employment Insurance program (EI) encouraged fairness and lessened dependence on the system, while at the same time eliminating obstacles to paid employment (Grace). While acknowledging the advancement of women in male-dominated sectors, EI failed to assert women's segregation into the service-based economy (Grace), and how those in the manufacturing industry- processing food, textiles, and electronics- are more vulnerable to job losses than men (Macdonald).

As well, incongruencies continue to exist between women and men. Canada has the fifth largest wage gap between full-time men and women out of 29 OECD countries (Morris). As women on average work less hours than their male counterparts, the resulting benefits diminishes, including the amount and duration (Grace). Since the inception of EI, the percent of unemployed women covered by the program has decreased from 70% to just 30% in ten years (Morris). Although reforms were meant to reduce spending while at the same time attending to poverty and social assistance, these programs have rather failed to do so, allowing the underlying gender concerns to fester. In order to alleviate such issues, governmental policies must concede to gender differentiation.

The basis of feminist initiatives in organizations of citizens and government officials has been to acknowledge and accept perceived gender analyses and gender differences (Breitkreuz, Grace, Macdonald). Failing to do so only aggravates issues that stem from the source, including the pervasiveness of violence against women; wage differences; poverty and unpaid work regarding family and the home (Grace). The persistence of the cycle of welfare and of poverty only strains resources, especially on the healthcare system (Morris, 2000). The notion that "restructuring is not gender-neutral" must be actualized in order to confront these problems (Macdonald). Governmental policies need to ensure the "appreciation of gender differences, the nature of relationships between women and men and their different social realities (Grace). Not only must neoliberal policies be returned to inclusive citizenship, but the conceptualization of individualism, victim-blaming, and societal expectations of gender roles also demand reformation as a return to proper function (Breitkreuz).

Neoliberal policies attribute the disadvantages of poor women to their attitudes and choices, rather than their increased demands and decreased financial and non-financial resources (Breitkreuz, Grace). Demands placed on women often stem from dependents, such as children, which in turn determine whether a woman can maintain living conditions above poverty and the extent of compensation for the lack of resources (Bashevkin, 2002, Grace, Macdonald). Policies regarding childcare are crucial and certain governments have established policies to address that particular issue. Thus, in 2002, the government of Alberta distributed subsidies on a per child basis for families earning less than \$32,000 annually (Breitkreuz, 2005). Government involvement promotes positive steps in providing for its desperate citizen. This is a responsibility of protecting its citizens that all governments should uphold.

Throughout this paper, I have discussed how neoliberal policies, the Canadian government, and women have interacted over the last several decades. Although policies have gone in both positive and negative directions, when it comes to addressing the specific needs of women, it can be concluded that improvement continues to be advocated and a necessity. In a social world of interaction, the lives of citizens should be more important than balancing bankbooks. At least, that's the world I'm hoping for.

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