



The McGill-Montreal Chapter

Sigma Xi :: The Scientific Research Society ::





Dr. Michael R. Smith

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PUBLIC LECTURE

when:

Monday 2 April 2007 6:00 P.M.

where:

McGill University
Otto Maass Chemistry
room 10

The Welfare State and its Consequences:

The case of unemployment insurance

Over a long period, but particularly since the second world war, rich countries have equipped themselves with a set of protections - the welfare state - that, among other things, reduce the likelihood that people will experience catastrophic income loss. While, at least within Canada, the welfare state itself is not a matter of debate, the design of its institutions is.

There has been particular interest in the design of the (un)employment insurance program. Until the early 1980s Canadian and U.S. unemployment rates were generally close. Since the early 1980s Canadian unemployment rates have persistently exceeded U.S. rates - in the mid 1990s by quite a lot. The extent to which this gap can be attributed to program design differences has been the subject of considerable debate. In this paper I review this debate. Then I further explore potential program design effects using comparative data from Canada and Australia, two countries with very different unemployment compensation program designs.

Biographical Note

Michael Smith's research has dealt with labour markets and economic sociology more generally. He has published on, among other things, differences in the labour market outcomes of visible minority immigrants and other Canadians, labour market flexibility in Sweden and Canada, the sources of national differences in rates of inflation after the second world war, income and earnings inequality, the labour market effects of globalization, and the effects of technological change on the demand for skills. He has been a visiting fellow at the Research School of Social Sciences at the Australian National University and at the National Institute of Labour Studies at Flinders University of South Australia, a *Chercheur invité* with the Department of Sociology at the *Université de Montréal*, an Overseas Research Fellow of the Human Sciences Research Council of South Africa, and Virtual Scholar in Residence with the Law Commission of Canada.

Table 1. Indicators of Employment Security

1950 1955 1960 1965 1970 1975 1980 1985 1990 1995

Percent unemployed 3.6 4.4 7.0 3.9 5.9 7.1 7.5 10.5 8.1 9.5 Unemployment

Duration (weeks) 13.9 14.7 21.7 16.8 24.3

Part time as percent total employment 4.2 6.7 9.6 12.3 13.3 13.0 15.5 15.3 18.6

Percent involuntary

part-time employment

11.0 17.6 29.3 22.5 31.9



Council Meeting: 4:30 P.M.

Member Reception: 5:30 P.M.