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Québec was the first government in Canada to enact a law on poverty reduction. The province has led the poverty reduction fight in many significant respects, including the introduction of a legislative base as a foundation for this effort, a series of linked actions in diverse fields, a long-term time frame within which to carry out this work and an associated research and monitoring capacity.

As in the other papers on provincial poverty reduction strategies prepared for the Vibrant Communities project, this report presents an overview of the major actions undertaken by the Québec government in respect of its poverty reduction initiative. The report does not analyze the effectiveness of its efforts, which local groups are better positioned to do. In fact, many community organizations, researchers and editorialists in Québec have challenged the government's commitment to poverty reduction. Their critique even led to a boycott of a government-led consultation process by many organizations, which argued that the strategy's announcements and actions have often fallen short of its stated intent.

This report focuses primarily upon the first five years of the poverty reduction initiative. But it should be noted that Québec recently introduced its second five-year strategy for the years 2010-15. *Le Québec mobilisé contre la pauvreté* (Québec mobilized against poverty) renews the government's long-term commitment to reduce poverty and social exclusion.

The new strategy builds on and expands the foundation put in place during the first five years of the *Action Plan to Combat Poverty and Social Exclusion*. It also emphasizes the need for ongoing conversations with citizens, particularly with members of the aboriginal community. Coordination of efforts within government and between government and the voluntary sector is another key theme. An integrated territorial approach to poverty reduction involving collaboration among diverse sectors is emphasized in this second phase – a methodology consistent with the place-based focus that shapes Vibrant Communities.

But first: the story of the base on which the second phase is built. In December 2002, the Government of Québec unanimously adopted Bill 112 – an *Act to combat poverty and social exclusion*. Success in getting a piece of legislation on poverty reduction was due largely to pressure from a broad coalition of groups that had pushed for such a plan since the middle of the 1990s. The Collective for a Quebec without Poverty (*Collectif pour un Québec sans pauvreté*) welcomed the initial effort, though with mixed reviews [Noël 2004].

The *Act to combat poverty and social exclusion* may have been well ahead of its time in Canada but not in the rest of the world. At the meeting of the Lisbon European Council in 2000, European Union member states were called upon to produce a national plan to combat poverty and social exclusion. These nations acknowledged that modernizing the economy must also involve efforts to reduce poverty and combat exclusion.

The preamble to the *Act to combat poverty and social exclusion* sets out a series of core principles and includes reference to Québec's *Charter of Rights and Freedoms*. The Act defines poverty as more than just low income and incorporates the associated problem of social exclu-

sion typically linked to living on low income. Lack of “means, choices and power” was identified as a major indicator of poverty.

The concept of a strategy on poverty reduction was also significant. Most governments typically introduce over time a variety of single programs to tackle various dimensions of this complex problem. There is no sense of cohesive effort – merely individual actions undertaken by separate departments.

The idea of a strategy to reduce poverty and social exclusion was first presented in an August 2002 document entitled *The Will to Act; The Strength to Succeed*. The overall objective, which would be included in Bill 112, was to progressively transform Québec over a ten-year period into a society with one of the lowest rates of poverty in the industrialized world. The document discussed the prevalence of poverty in Québec by both population group and region, and set out a range of actions for tackling the problem. It highlighted the need for indicators to monitor the work and proposed the creation of a bureau responsible for tracking progress toward this goal.

In addition to various poverty reduction measures, the blueprint was deemed innovative in several respects. It adopted a longitudinal perspective, taking into account the incidence of poverty over the life cycle. The approach considered education, health and housing as much as employment and income. The document also emphasized participation and empowerment [Noël 2002].

The government that introduced these orientations and the law subsequently was defeated in a general election. But the need for an overall strategy to combat poverty remained alive, and it was mandated by Bill 112. The new government built on the foundation that already had been laid. In April 2004, Québec released its first five-year strategy, entitled *Reconciling Freedom and Social Justice: A Challenge for the Future*. It consisted of a set of linked measures to be implemented within a five-year time frame.

The Action Plan was founded on two core principles. First, it assumed that employment was the primary solution for ensuring economic security and reducing social exclusion over the long term. Second, it made a commitment to greater protection for persons with severely limited capacity for work.

The strategy was launched with an investment of \$2.5 billion over five years. Funds were directed toward four main objectives:

- improving the lives of people living in poverty
- preventing poverty and social exclusion
- involving society as a whole
- ensuring consistent, coherent action.

The selected measures presented below are exemplary and not exhaustive. Many of the actions were undertaken early in the strategy. Subsequent efforts are described in the annual reports issued as part of the commitment to accountability. In May 2010, the Government of Québec released its second five-year strategy on poverty, which builds on the components of the original plan.

i. Improving the lives of people living in poverty

The actions within this goal include reforming Employment Assistance (subsequently replaced by new measures described below), bolstering the incomes of low-income individuals and families, and investing in social housing and other essential supports.

Reforming Employment Assistance

Several steps were taken to improve Employment Assistance, the income program of last resort (commonly referred to as ‘welfare’). It no longer would be reduced for failure to take steps leading to employment, including refusing or giving up a job. More flexible eligibility conditions were introduced around temporarily limited capacity for employment. This change was intended to extend access to families with dependent children with a disability, even if the children are full-time students.

Allowable exemptions for the net value of a residence were increased from \$80,000 to \$90,000. Because a car is often the only means of transportation in rural areas, the exclusion applied to the retail value of an automobile rose from \$5,000 to \$10,000.

The Action Plan also announced a set of measures designed to intervene early with new Employment Assistance applicants able to work. These programs were based on the assumption that early intervention enhances the probability of quicker entry or re-entry to the labour market. *Devenir*, for example, offers support and individual coaching through special projects run by community organizations. Over a 12-month period, it helps those not yet ready to enter the workforce to participate in employment-related programs.

Bolstering low incomes

Québec also made a commitment to annually index Employment Assistance in line with the personal income tax system. For those able to work, basic financial assistance was only partially indexed.

However, recipients trying to leave Employment Assistance are eligible for a Participation Premium of \$36 for a single person and \$60 for a couple, and \$120 and \$180 for a single person and a couple with significant employment limitations, respectively. The purpose of the

Participation Premium is to help cover work-related expenses, such as additional clothes and meals away from home. (It should be noted that financial assistance for persons able to work was fully indexed in January 2009.)

In 2005, the Québec government adopted Bill 57, *la Loi sur l'aide aux personnes et aux familles* (Act to help individuals and families) which introduced three new programs: *Le Programme d'aide sociale pour les personnes aptes à l'emploi*, *le Programme de solidarité sociale pour les personnes avec des contraintes en emploi* and *Le Programme Alternative Jeunesse*.

Le Programme d'aide sociale pour les personnes aptes à l'emploi (Social Assistance Program for persons able to work) replaced Employment Assistance.

The purpose of *le Programme de solidarité sociale pour les personnes avec des contraintes en emploi* (Social Solidarity Program for individuals with severely limited capacity for employment) is to foster social inclusion and active participation in society.

Eligible candidates for the Social Assistance or Social Solidarity Programs may also qualify for *Devenir*, which offers support and individual coaching through special projects run by community organizations. Over a 12-month period, it helps those not yet ready to enter the workforce to participate in employment-related programs. *Réussir* (To Succeed) targets adults with a severely limited capacity for employment. The program supplements the financial assistance they receive for full- or part-time studies at a secondary-level educational institution in a vocational program or a post-secondary educational institution.

Le Programme Alternative Jeunesse (Youth Alternative program) is intended for youth under age 25. It offers an individualized approach to help young people find training, employment preparation and job options appropriate to their interests. For 2010, the program pays \$155 a week for a single person and \$180 for a single-parent family. Transportation and child care fees are covered if these are required for participation in the individually tailored plan.

As part of its poverty reduction strategy, Québec announced improved assistance for the working poor. It made a commitment to raise the minimum wage on an annual basis. In 2005, it also introduced a Work Premium that replaced the Parental Wage Assistance Program. The latter was an earnings supplementation measure with restrictive rules and an associated low take-up rate.

The Work Premium is delivered in four quarterly instalments as a refundable tax credit, which means that it pays benefits even to workers with incomes below the taxpaying threshold. In 2010, the Work Premium pays \$533 for a single person, \$824 for a couple with children, \$2,284 for a single-parent family and \$2,942 for a couple with children. An adapted work premium is paid to workers with disabilities in the amounts of \$1,025, \$1,520, \$2,847 and \$3,377, respectively, for these four households.¹

Employees who qualify for the Work Premium may also be entitled to a supplement for former recipients of social assistance. The supplement is a monthly \$200 granted for a maximum 12 consecutive months.

The Action Plan included a vocational integration contract to encourage business to hire persons with disabilities. It is intended to compensate employers for special supports or possible reduced productivity related to workplace integration. In 2008, Québec adopted a more comprehensive strategy to promote the integration and employment of persons with disabilities.

In December 2005, a working group tabled its report on the recognition of the degrees and competencies of people trained and educated abroad. Several measures subsequently were introduced to ease access to regulated trades and professions, such as instruments for evaluating skills and experience, and production of training tools. To assist with job market entry, the two ministries responsible for employment and for supports signed an interdepartmental agreement to harmonize services for immigrants, visible minorities and refugees, with particular attention to women.

Investing in social housing and other essential supports

Several actions were taken to address the serious shortage of affordable housing. The Assistance Program for Community Housing Organizations provided financial assistance to 47 groups working in the area of social housing and services for the homeless or people at risk of becoming homeless. The 2004-05 Budget announced an additional injection of \$329 million for this purpose with \$256 million for building 16,000 affordable housing units, \$39 million for adapting the dwellings of 6,010 people with disabilities and \$34 million for delivering rent supplements to 5,276 lower-income households. Québec continued to make investments in social housing in subsequent years.

In order to enable access to high-quality affordable food, the Action Plan provided support to 250 community food security projects in every region of the province. In 2004, for example, the government renewed a financial agreement with the *Club des petits déjeuners* to serve breakfast every day to 10,000 students in more than 165 elementary schools in disadvantaged neighbourhoods.

The strategy sought to encourage recipients to enter the workforce without losing eligibility for dental care and prescription drug coverage for a period of six months after they no longer receive last-resort financial assistance. Québec also pledged to develop a policy to provide long-term solutions to the problem of lack of access to prescription drugs.

Actions in other essential areas were added in later years. The government announced, as of January 2007, the annual indexation of income cut-off levels entitling applicants to free or low-cost legal aid. Energy poverty is another recent focus. An interdepartmental committee was given the mandate to take into account the problems of poverty and social exclusion in Québec's energy strategy.

ii. Preventing poverty and social exclusion

A number of measures were introduced in respect of the prevention of poverty and social exclusion goal. Québec invested \$1.1 billion over five years to create a Child Assistance benefit targeting low-income families with children under age 18. Three existing programs – the family allowance, nonrefundable tax credits for dependent children and tax reductions for families – were merged into a new refundable credit to provide additional financial aid to lower-income families.

Child Assistance is paid in addition to the Canada Child Tax Benefit. Child Assistance currently delivers an annual maximum \$2,176 for the first child, \$1,088 for the second and third child, and \$1,631 for the fourth and each additional child. Single-parent families get an extra \$762 per year. Another \$172 a month is paid for a child with a disability. Maximum benefits are reduced starting at net family income of \$44,788 for a couple and \$32,856 for a single-parent family.

The new income measure was also matched by changes in services for families with children. In 2004, the government signed a five-year partnership agreement of \$10 million with the *Fondation Lucie et André Chagnon*. The goal of the partnership was to promote the development of vulnerable children by enabling access to high-quality educational child care services. A minimum five percent of spaces in early childhood day care centres were set aside for children registered with local community service centres and considered vulnerable as a result of their family or personal circumstances.

Integrated services for pregnancy and early childhood were also made available for disadvantaged families. A core component is the *Programme de soutien aux jeunes parents* (Support to Young Parents), which targets teenage mothers, their spouses and their children up to age 5. The following core services seek to promote healthy child development, lifestyles and communities:

- intensive prenatal and postnatal home visits by a specialized support worker, nurse, social worker or other caseworker
- assistance for participants in setting and achieving life goals as young parents
- linking families to community resources to help them with social and professional integration
- infant stimulation activities
- support for community projects that create environments conducive to child development.

Several new programs were announced for elementary students, including Homework Assistance and Healthy Schools. The two programs were intended to increase student motivation and improve academic performance. Unlike the measures designed only for disadvantaged students, these programs were directed toward all children.

The first five years of the Action Plan also brought in a number of measures targeted toward Québec youth in addition to *Alternative jeunesse*, earlier described.

As part of the *New Approaches, New Solutions* intervention strategy, for example, 196 secondary schools in underprivileged areas implemented measures to support academic success. From the outset, an evaluation team was formed to monitor implementation and the impact of the strategy on students.

Le plaisir d'apprendre : j'embarque quand ça me ressemble was set up in 20 school boards in 17 regions to help 16- to 24-year-olds return to school. The *Qualification des jeunes* program uses intensive intervention to help at-risk young people attending youth centres prepare for the labour market. As part of a three-year pilot project, 21 youth teams were formed across Québec to create a partnership among the providers of services to children and youth with complex multiple problems.

Two new projects were introduced in 2005-06 for young Aboriginal parents and for young immigrant parents experiencing problems because of their recent immigration.

To help coordinate this range of interventions, the government drew up an interdepartmental agreement on youth development. It included a commitment to achieve identified goals – e.g., make selected services more accessible in order to assist young people while they are learning job skills or working toward social or job integration; ease the transition between programs; and minimize administrative wait or transfer times.

The Action Plan to reduce poverty and social exclusion also provided funds to community organizations and social economy enterprises that promote the social participation of low-income seniors through services to reduce the isolation. Projects include meals on wheels, home help, citizen advocacy, community integration, transportation and support groups – though it should be noted that many of these programs had been in place for years and had long been advocating improved funding.

iii. Involve society as a whole

Community strategies to fight poverty and social exclusion received funds from the *Fonds québécois d'initiatives sociales* for a range of poverty reduction initiatives. These include local economic development; the revitalization of communities; access to training, employment, housing, health and social services, recreation and culture; and participation in society by individuals and groups that face social exclusion.

The *Réseau québécois du crédit communautaire* received \$4.5 million to support nine community funds and lending circles in ten regions of Québec. These groups make available technical assistance and loans ranging from \$500 to \$20,000 to low-income individuals who want to start a microenterprise.

The government also held meetings with First Nations representatives to help tailor the Action Plan to their needs and requirements. A commitment was made to give Band councils the resources they require to implement local strategies to fight poverty and social exclusion on reserves and in First Nations communities, which face disproportionately high rates of poverty. A major study led to the creation of an action steering committee for each Nation, a Native anti-poverty foundation and various community development projects.

iv. Ensure consistent, coherent action

The Action Plan recognized that measures to reduce poverty and social exclusion must be consistent within and between governments. An inter-ministerial committee was formed to coordinate the implementation of the plan.

In 2005, Québec also appointed a multisectoral advisory committee to advise the Minister on income targets and on the planning, implementation and evaluation of the measures introduced under the Action Plan. Its mandate was to monitor government policies that affect poverty and social exclusion. The advisory committee was composed of 17 members appointed by the government, five of whom are persons living in poverty or representing anti-poverty groups or organizations.

Between governments, Québec and Ottawa signed an agreement effective 2006 creating the Québec Parental Insurance Plan. It improves upon the parental leave measures available to new parents under the federal Employment Insurance and extends these provisions to the self-employed. The Canada-Québec agreement on the labour market participation of persons with disabilities, entered into for 2004-05 and 2005-06, was renewed for 2006-07. As noted, Québec introduced its strategy on disability the following year.

The government also sought to ensure coherence in its efforts through a central venue for research and documentation on poverty-related issues. In 2005, the groundwork was laid for a *Centre d'étude sur la pauvreté et l'exclusion sociale* within the *ministère de l'Emploi et de la Solidarité sociale*, but governed by a board of independent experts.

The mandate of the Centre is to conduct research on poverty and social exclusion in partnership with the relevant Québec networks, the *Institut de la statistique du Québec* and the key government departments. The Centre provides the Minister with a set of indicators related to income and other social determinants of health to help measure progress against poverty and social exclusion. It proposed, in particular, to use the Market Basket Measure as the main indicator to follow situations of poverty from the standpoint of incomes.

As of June 2005, Québec has produced annual reports on the wide-ranging measures introduced in respect of the Action Plan's identified goals. The next five-year strategy to combat poverty and social exclusion focuses largely on the effective implementation of these goals and building on the architecture of programs and services constructed during the first five years.

Endnote

1. Eligibility for this refundable tax credit is determined by income levels. In 2009, annual work income must have exceeded \$2,400 for a person living alone or a single-parent family and \$3,600 for a couple with or without children. Single persons living alone with total income up to \$15,275.80 were eligible for an annual maximum Work Premium of \$530.18. Couples without children and total income up to \$23,513.80 were eligible for an annual maximum \$819.98. Single persons living alone with total income up to \$32,696.00 were eligible for an annual maximum \$2,272.20. Couples with at least one child and total income up to \$44,599.00 were eligible for an annual maximum \$2,928.50.

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