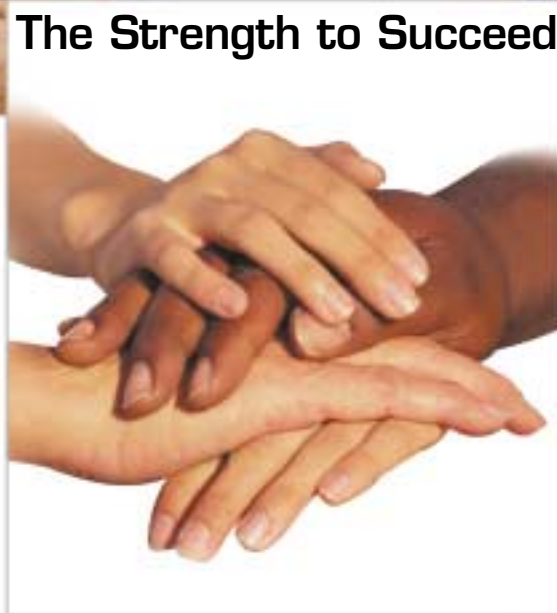




The Will to Act

The Strength to Succeed



Policy Statement

National Strategy to Combat Poverty and Social Exclusion

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The Strength to Succeed

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**National Strategy to Combat
Poverty and Social Exclusion**

“To build a better Québec in which every person has a rightful place, can live with dignity, and can take an active part in society and contribute to its development to the extent of his or her abilities.”

Gouvernement du Québec
Ministère de l'Emploi et de la Solidarité sociale

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WW A Word from the Premier

Quebecers have always been animated and guided by a strong sense of solidarity. Inspired by the ideals of democracy, social justice, sharing, and solidarity, numerous citizens have participated in the projects that have shaped modern-day Québec. However, much remains to be done.

As we face new challenges together, the contribution of all members of society is more vital than ever. Globalization, immediacy, rapid-fire technological change, and increasingly complex social problems are now part of our world. It is with this in mind that we present the National Strategy to Combat Poverty and Social Exclusion.

Combating poverty and exclusion is a way to promote human growth and development, encourage equality between men and women, and, especially, ensure respect for human dignity and the rights of all. It also creates synergy between social and economic development.

This document shows our intent to move forward, adapting policies and social tools as we go to meet the needs of the most disadvantaged among us. It reflects the Government's commitment to making

Québec a society built on solidarity, where all can develop to their full potential. I strongly believe that this strategy will help inspire our joint efforts and allow us to continue to improve the quality of life of all Quebecers.



A handwritten signature in blue ink, which appears to read 'Bernard Landry'. The signature is fluid and cursive.

Bernard Landry
Premier of Québec

A Word

from the Ministers and the Secretary of State

We are very proud to present the National Strategy to Combat Poverty and Social Exclusion. This strategy is built on the gains and progress of the past several decades. It offers a vision of the future, of a fairer, stronger, and more caring Québec, where everyone has a place: a vision of the future that speaks to us all. Combating poverty is an ambitious challenge for any society. We believe that with the shared commitment to act by the Government and all groups and citizens throughout Québec, we have the strength to succeed.

This strategy was nurtured by local, regional, and Québec-wide consultations this past year, by frequent discussions with the Collective for a Law on the Elimination of Poverty, and by input from the representatives of civil society who advised us throughout the process.

Two key messages clearly emerged: the importance of taking comprehensive, integrated, intersectoral action and the need to develop a long-term approach.

The government plans to enshrine the National Strategy to Combat Poverty and Social Exclusion in legislation that will guide our actions and provide us with tools to encourage partner initiatives and measure the progress achieved. Reducing poverty is more than a matter of improving the well-being and quality of life of thousands of our fellow citizens; it is, in our view, essential to Québec's ongoing development and progress.

Ensuring that the men and women of Québec achieve their full potential and, to the extent of their abilities, proudly contribute to society's progress is an undertaking we heartily endorse.



Linda Goupil
Minister of State for Social Solidarity and Child and Family Welfare

Nicole Léger
Minister for the Elimination of Poverty and Exclusion

Jocelyne Caron
Secretary of State for the Status of Women



Table of contents

INTRODUCTION 9

CHAPTER 1
FIGHTING POVERTY AND SOCIAL EXCLUSION: A COLLECTIVE CHOICE 11

WHY COMBAT POVERTY 11

1.1 GIVING FORCE TO OUR COLLECTIVE COMMITMENTS 12

1.2 A STRATEGY BASED ON THE RECOGNITION OF ECONOMIC
AND SOCIAL RIGHTS 12

1.3 COMBATING POVERTY: THREE CONVERGING GOALS 12

CHAPTER 2
THE SITUATION IN QUÉBEC 15

THE MANY FACES OF POVERTY 15

2.1 HOW TO MEASURE POVERTY 15

 2.1.1 The absolute approach 15

 2.1.2 The relative approach 16

2.2 SOCIAL DEVELOPMENT AND POVERTY 16

 2.2.1 Educational success: An important advantage 16

 2.2.2 Health and poverty: Prevention is the cure... 17

2.3 INCOME DISPARITY AND LOSS OF PURCHASING POWER 17

2.4 GROUPS MORE AFFECTED BY POVERTY 18

2.5	THE WORKING POOR.	19
2.6	HIGH-POVERTY AREAS AND REGIONAL INEQUALITIES IN QUÉBEC	20
	CHAPTER 3	
	ORIENTATIONS AND PRIORITIES OF A QUÉBEC STRATEGY	23
	FIRST ORIENTATION — PREVENTION: PROMOTING PERSONAL EMPOWERMENT	23
	PRIORITY 1 Support the family as the focal point for the development of individuals and society as a whole	24
	PRIORITY 2 Greater support for the young people of Québec: Building tomorrow today	26
	PRIORITY 3 Help adults in the most vulnerable groups become fuller citizens by developing their skills	29
	SECOND ORIENTATION — STRENGTHENING THE SOCIAL AND ECONOMIC SAFETY NET	31
	PRIORITY 1 Increasing the basic income guaranteed to all individuals and families	33
	PRIORITY 2 Making social housing the anchor point for integrating individuals facing difficulties.	36
	THIRD ORIENTATION — PROMOTING JOB ACCESS AND EMPLOYMENT	38
	PRIORITY 1 Stepping up employment assistance to make employment the preferred solution whenever possible	40
	PRIORITY 2 Encouraging the social integration of individuals unable to work	44
	PRIORITY 3 Improving job quality.	45
	FOURTH ORIENTATION — MOBILIZING SOCIETY AS A WHOLE.	46
	PRIORITY 1 Encouraging public involvement.	47
	PRIORITY 2 Supporting local and regional initiatives	47
	PRIORITY 3 Recognizing and rewarding socially responsible enterprises	48
	PRIORITY 4 Strengthening the role of community organizations	48
	FIFTH ORIENTATION — ENSURING CONSISTENCY AND COORDINATION OF ACTION AT ALL LEVELS	49
	PRIORITY 1 Develop a framework for action and provide a foundation for our collective commitments	49
	PRIORITY 2 Support innovation to help the most disadvantaged	51
	PRIORITY 3 Situate action in the North American and international context	52
	CONCLUSION	53



Introduction

Québec is an economically, socially, and culturally prosperous society. It benefits from numerous natural resources, an open economy, a well-educated population, and the flexibility required to adapt to global conditions. It has made enormous progress in recent years on the economic and job creation fronts, which has helped alleviate poverty and made it possible to pursue efforts to combat poverty and social exclusion.

Québec's challenge is to promote equity and solidarity in an international environment shaped by globalization. Although conducive to the generation of wealth, globalization does not automatically ensure the fair redistribution of wealth, an objective that must remain central to government action.

Strike a blow against poverty and social exclusion to build a better Québec in which every person has a rightful place, can live with dignity, and can take an active part in society and contribute to its development to the extent of his or her abilities—this is the challenge Quebecers have been invited to tackle under the National Strategy to Combat Poverty and Social Exclusion. Although ambitious, the goal is within our reach if society as a whole mobilizes to rise to the challenge.

All states dedicated to the sustainable development of their societies have made such commitments, proof that this goal is intimately linked to social and economic progress. For Québec as well, the commitment to combating poverty and social exclusion is both the challenge and the prerequisite for a better future for all.

The values of sharing and solidarity are well rooted in Québec, and have guided the implementation of numerous elements of our social and economic safety net.

The economic crises of the early 1980s and 1990s were, however, a reminder that past progress could not be taken for granted. Fortunately, the effects of these crises were mitigated by the social safety net in place, albeit at the expense of considerable pressure on the system and public finances. The social development forums, the World March of Women, and the work of the Collective for a Law on the Elimination of Poverty each affirmed in its own fashion the importance of an ongoing effort to combat poverty and exclusion. The persistence of poverty in recent years, its concentration within certain more vulnerable groups and areas, and the consequences that have ensued are an invitation to step up our efforts.

The commitment to combating poverty and social exclusion is both the challenge and the prerequisite for a better future for all.

Progressively transforming Québec over a ten-year period into one of the industrialized societies with the least poverty depends on the determination of those living in poverty as well as on the will of all in society to mobilize in their support, including private, public, and social economy enterprises, as well as unions, community organizations, regional coordinating bodies, local governments, and the public.

Implementation of the National Strategy to Combat Poverty and Social Exclusion is part of a broader effort aimed at the social development of Québec as a whole. This effort is rooted in an approach that—

- Makes prevention the priority
- Draws upon participatory citizenship
- Emphasizes local responsibility for community development
- Seeks to reconcile economic, social, cultural, and environmental development.

This approach guides all government social policy, including the National Strategy to Combat Poverty and Social Exclusion. It focuses on providing support to the disadvantaged and the excluded, not only by empowering them, but by relying on the solidarity of all citizens to support them in their efforts.

The National Strategy to Combat Poverty and Social Exclusion provides us with an opportunity to set a collective goal: to progressively transform Québec over a ten-year period into one of the industrialized societies with the least poverty, according to recognized methods of international comparison.¹

Reaching this target is a challenge in keeping with our collective capabilities and values. Achieving it depends on the determination of those living in poverty as well as on the will of all in society to mobilize in their support, including private, public, and social economy enterprises, as well as unions, community organizations, regional coordinating bodies, local governments, and the public.

Countries committed to the fight against poverty increasingly recognize the need for greater synergy between social and economic development, a concern echoed in the principal debates on globalization.

Researchers studying examples of societies noted for their egalitarianism and with populations in relatively good health have found that they all share a common characteristic—social cohesion. Social cohesion implies shared values, lower income disparities, and greater equality of access to knowledge, health, housing, and participation.

Citizens must also feel actively engaged in a common cause, tackling together the difficulties that are part and parcel of belonging to the same community.

¹ The work of the Observatoire de la pauvreté et de l'exclusion sociale will help determine the indicators to be used.

Chapter

Fighting poverty and social exclusion: A collective choice

Why combat poverty

Québec must build upon all of its strengths, given the significant demographic deficit it will face within 20 years. The demographic transformation currently underway, notably the growing number of baby boomers set to reach retirement age within the next ten years, the low birth rate, and Québec's difficulty in attracting and retaining immigrants, will lead to a decrease in the population of working age.

Investing to alleviate poverty over the next ten years is an investment in Québec's future. The costs of poverty will place increasing pressure on public finances and the social and economic safety net as these demographic changes occur.

Poverty is expensive. Not only in terms of direct costs for social protection systems (the budget for the Ministère de l'Emploi et de la Solidarité sociale alone was nearly \$4 billion for 2001–2002, \$2.5 billion of which was earmarked for employment assistance), but in terms of indirect costs, which would undoubtedly exceed social security expenditures were it possible to measure them accurately.

Numerous studies have demonstrated the impact of poverty on health and welfare as well as the health and social service costs and human consequences that result.

The effects of income-related health inequalities include

- Higher infant mortality rates
- Shorter life expectancy
- Premature mortality among men and women
- A greater incidence of lung cancer among men².

In addition, poverty has judicial consequences. A study on the relationship between income disparities and crime in the United States³ found a link between disparities and firearm violent crime, due to the erosion of community social cohesion.

Poverty and the exclusion of a portion of its population will affect Québec's collective potential, reducing its capacity for development. Indeed, the frequency of structural labour shortages is expected to increase in the years ahead. Knowing this, we cannot leave part of the population aside and still hope for economic growth.

With the advent of the knowledge economy, human capital is the foundation of economic progress. Although maintaining our capacity for competitive action may sometimes limit our capacity for social action, refusing to take resolute action to combat poverty and social exclusion can also limit our ability to compete. More and more countries have reached

Québec must build upon all of its strengths, given the significant demographic deficit it will face within 20 years.

Investing to alleviate poverty over the next ten years is an investment in Québec's future.

Although maintaining our capacity for competitive action may sometimes limit our capacity for social action, refusing to take resolute action to combat poverty and social exclusion can also limit our ability to compete.

2 Robert Choinière, *Inégalités de la mortalité selon le revenu: 1986 à 1997*, Régie régionale de la santé et des services sociaux de Montréal, 2002.
3 Kennedy et al., "Social Capital Income Inequality and Firearm Violent Crime", *Social Science and Medicine*, 1998, 47 (1).

the same conclusion, including the members of the European Union, which have tied the development of economic Europe to that of social Europe.

1.1 Giving force to our collective commitments

The Government plans to enshrine the National Strategy to Combat Poverty and Social Exclusion in legislation that will guide our actions, clarify commitments, and identify the tools to put in place to coordinate action, measure the progress achieved, and recognize citizen initiatives. It was citizen initiatives that played a key role in mobilizing energies around the poverty issue, notably the efforts of the social development forums, the World March of Women, and the Collective for a Law on the Elimination of Poverty

The resolution of November 22, 2000

Following the presentation by representatives of the three parties of a petition drawn up by a collective representing hundreds of groups and bearing 215,000 signatures, the National Assembly adopted the following resolution on November 22, 2000:

“THAT the National Assembly ask the Government of Québec to adopt a strategy to combat poverty by taking into consideration certain principles of the proposal set forth by the Collective for a Law on the Elimination of Poverty.”

Forward to a more prosperous Québec where solidarity is strong, and where poverty and social exclusion progressively recede.

The collective desire to make the fight against poverty a long-term priority leads us to enshrine our commitments in the most sacred vehicle of our democracy: a law passed in the National Assembly by the elected representatives of all Quebecers.

In fall 2002, the bill tabled as part of the National Strategy to Combat Poverty and Social Exclusion will be the subject of a major debate at parliamentary committee hearings that all concerned groups and individuals will be invited to attend.

Once passed, the bill will provide a framework for consistent and coherent action to combat poverty and

exclusion. It will be the expression of our collective determination and the goals Québec plans to set to ensure that every person has his or her rightful place, can live with dignity, and can take an active role in society and contribute to its prosperity, to the extent of his or her abilities.

1.2 A strategy based on the recognition of economic and social rights

The bill, like the strategy it derives from, is based on the recognition of economic and social rights in keeping with the Québec Charter of Human Rights and Freedoms, and part of an international movement linking the fight against poverty and social exclusion with the struggle for human rights.

Fighting poverty means promoting gender equality, personal development for all, and a better exercise of rights.

Rights can be better exercised only if poverty and social exclusion no longer comprise barriers to the protection of and respect of human dignity.

1.3 Combating poverty: three converging goals

The National Strategy to Combat Poverty and Social Exclusion calls upon all Quebecers to contribute to a project destined to take us forward—forward to a more prosperous Québec where solidarity is strong, and where poverty and social exclusion progressively recede. The strategy centres around three converging goals:

Improve the economic and social situation of people living in poverty or marginalized by society

First, by fostering the creation of employment for people who are able to work and by sustaining such employment. Then, via access to essential services such as healthcare, social services, education, and family and housing support enabling all citizens to develop to their full potential and contribute to society's collective well-being. Third, by making sure that those able to work—and those unable to work due to their own limitations—have access to an income that allows them to lead dignified lives and participate fully

in their communities. Finally, by ensuring that anyone temporarily without sufficient income to meet his or her basic needs receives sufficient support from the Government, both financially and through employment-assistance measures.

All in a spirit of mutual responsibility whereby those who live in poverty must, if they have the ability, be the first to take action to change circumstances for themselves and their families, and society must join with them to provide support and the helping hand they need.

Reduce inequalities that have a particular impact on people living in poverty

Income disparities can adversely affect social cohesion when individualism and market values are not tempered by social ethics that promote

- equality between men and women
- reduction of regional disparities
- access to skills training
- access to health care and basic food requirements
- access to housing and a healthy and secure environment free of violence
- access to decent working conditions
- access to services as well as to a standard of living that enables parents to fulfill their responsibilities to their children and individuals to realize their full potential and be full citizens at every stage of their lives.

Take comprehensive action by developing a sense of social solidarity

The implementation of measures from the strategy will help strengthen the sense of solidarity and social cohesion, both by improving living conditions and promoting a new way of taking action: an approach whereby the Government considers every aspect of an individual, sees the capacity of communities to care for themselves, and regards partners as sharing responsibility for actions.

To effectively pursue these goals and reach the target, the National Strategy to Combat Poverty and Social Exclusion requires

- sound knowledge of the situation in Québec
- the identification of general orientations for which specific actions are determined
- a series of coordinated, coherent, and well-targeted actions for the short, medium, and long term.

The next sections of this policy statement describe the state of poverty and social exclusion in Québec and set out orientations and actions to be taken.

Promote a spirit of mutual responsibility whereby those who live in poverty must, if they have the ability, be the first to take action to change circumstances for themselves and their families, and society must join with them to provide support and the helping hand they need.

A new approach to governance whereby the Government considers every aspect of an individual, sees the capacity of communities to care for themselves, and regards partners as sharing responsibility for actions.



Chapter

The situation in Québec

The many faces of poverty

Poverty is often defined as a lack of resources for meeting such basic needs as food, clothing, and housing.

It also manifests itself in other ways, in multiple dimensions of ownership, knowledge, and potential that limit the capacity for human development and interfere with individual and collective welfare.

Certain groups in society are more affected by poverty, whether due to gender, age, social origin, family circumstances (single mothers), personal situations (disability), etc. Moreover, certain so-called “disadvantaged” neighbourhoods with higher concentrations of poverty create an environment less conducive to breaking the poverty cycle. Such neighbourhoods are characterized by rundown housing, higher crime rates, more teenage pregnancies, schools that do not always have the means to tackle the challenges they face (dropouts, violence, multiethnicity), lower life expectancy, limits on access to knowledge and culture (libraries, museums), etc.

For many, poverty is a transient experience. It may be linked to different life cycles (studies, retirement) or important events (divorce, job loss, fleeing a violent spouse). In the case of social assistance recipients, the majority (56%) manage to get off social assistance within a year, refuting the notion that all recipients receive benefits for life. However, the withdrawal rate

drops dramatically after two years⁴ and poverty proves especially pernicious if it persists for over a generation, engendering a vicious circle that must be broken at all costs.

The definition of poverty employed in the National Strategy to Combat Poverty and Social Exclusion is inspired by that used by the United Nations:

“Poverty is a human condition characterized by the sustained deprivation of the resources, capabilities, choices, and power necessary to achieve economic independence and foster social inclusion.”

2.1 How to measure poverty

There is no official poverty line in Québec or in Canada, nor any consensus as to the best poverty measure. From a strictly economic perspective, there is general agreement that poverty can be measured using both absolute and relative approaches.

2.1.1 The absolute approach

Absolute measures of poverty refer to basic needs and are based on a basket of essential goods and services. Various versions exist, each drawing upon subjective judgments of what should be included in the basket.

Poverty manifests itself in multiple dimensions of ownership, knowledge, and potential that limit the capacity for human development and interfere with individual and collective welfare.

Poverty proves especially pernicious if it persists for over a generation, engendering a vicious circle that must be broken at all costs.

4 Duclos, Fortin, Lacroix, and Roberge, *La dynamique de la participation à l'aide sociale au Québec*, March 1996.

So long as they are the product of a broad consensus and regularly updated, absolute measures can provide a useful standard for measuring poverty levels over time.

The increase in graduation rates at every level over a 25-year period shows a significant increase in educational success in Québec.

Poverty is measured as a function of the portion of goods and services in the basket that can be purchased with one's available income⁵.

So long as they are the product of a broad consensus and regularly updated, absolute measures can provide a useful standard for measuring poverty levels over time.

2.1.2 The relative approach

Relative measures of poverty refer to inequalities. Being poor in a rich society cannot be measured with the same criteria as those applicable in a developing nation. In Third World countries, poverty reduces individuals to situations of extreme destitution where resources available for subsistence are much more modest than those available to the average Quebecer, even people among the poorest fifth of the Québec population.

The relative approach focuses more on inequalities between social groups, or in other words, the gap between the rich and the poor. Poverty is a function of the standard of living, and can be assessed using various measures⁶. These different thresholds usually vary depending on household size and place of residence, given that the difference in cost of living between urban and rural regions is significant.

The limits of this approach are known. In a society where economic poverty would not even register using an absolute measure (basket of goods), a relative measure could still detect a significant number of low income individuals in comparison to the population as a whole, in part because there will always be people at the top and bottom of the ladder.

Despite its limitations, the relative approach, with its emphasis on income disparity, is still useful, notably for analysing poverty according to the characteristics of those affected and for establishing comparisons with other states.

This said, it must be pointed out that none of the income-based economic measures are capable of distinguishing transitional poverty (e.g., during studies) or situations where people are capable of living off the fruits of their possessions. In addition to the economic measures of poverty, complementary social development measures not only attempt to take the

economic dimensions of poverty into account, but its social and cultural dimensions as well.

2.2 Social development and poverty

No portrait of poverty and social inclusion would be complete without taking into account certain aspects of social development that play a decisive role. Education and health are two key levers worth looking at more closely.

2.2.1 Educational success: An important advantage

Universally available education provides all with a certain degree of equality of opportunity and can be an effective way to prevent poverty. Since the democratization of its education system in the 1960s, Québec has made major gains in terms of accessibility, enrollment, and graduation rates.

These gains put Québec in a good position in comparison with the other Canadian provinces and the OECD countries. Moreover, the increase in graduation rates⁷ at every level over a 25-year period shows a significant increase in educational success in Québec. At the high school level, for example, the graduation rate in the under-20 cohort has risen from 57% to 83% since 1975, from 21% to 38.1% at the college level, and from 15% to 27.3% at the university undergraduate level.

However, the proportion of young people who fail to finish high school is still much too high, particularly among those under 20. Young dropouts are more likely to end up living in poverty, given that the lack of a diploma has been shown to be a major obstacle to finding a job.

According to Statistics Canada 1996 figures, nearly 1.5 million Quebecers between 15 and 64 had no diploma and less than 13 years of schooling. In addition, 41% of them—611,000 people—had less than nine years of schooling. These findings can be explained in part by the fact that prior to the major educational reform of the 1960s, access to education was limited, especially after elementary school.

5 There are a variety of measures based on such baskets: Sarlo thresholds, measures proposed by the Dispensaire diététique de Montréal, the market basket measure, etc. Certain of these measurements are deemed subsistence measures whereas others could be termed "dignity" or "social integration" measures (such as Sarlo thresholds) and depend on one's concept of essential needs.

6 Low income cutoff (LICO), Low Income Measure (LIM), deprivation index, etc. In the case of LICOs and LIMs, before- and after-tax measures are used to determine the redistribution impact of personal taxation.

7 The graduation rate represents the proportion of young people from a given generation who obtain their diploma.

2.2.2 Health and poverty: Prevention is the cure

Poverty often has a negative impact on people, causing stress and social distress that all too often lead to substance abuse, violence, teenage pregnancy, and health problems.

In the area of health inequalities, Québec has a number of achievements to its credit. Life expectancy at birth in Québec is among the highest in the world, and has risen markedly over the past 25 years. However, there remains a six-year difference in life expectancy at birth between advantaged and disadvantaged groups for Québec as a whole, and a difference of as much as ten years in Montréal, depending on the neighbourhood⁸.

Moreover, the follow-up rate for children referred to Québec's Direction de la protection de la jeunesse (DPJ) is much higher for youngsters in disadvantaged environments. Areas that register as more disadvantaged according to Québec's combined material and social deprivation indexes⁹ have a follow-up rate of 40.8 children per 1,000, compared with 3 children per 1,000 in the most privileged milieus.

In addition, the incidence of social problems like violence, homelessness, and alcohol and drug abuse that cause avoidable health problems is on the rise. For example, over 50% of adolescents who receive care from Québec youth centres have a drug or alcohol problem.

The mission of the Ministère de la Santé et des Services sociaux is to help maintain and improve human health and welfare. The great reforms that have marked this sector in recent years have helped ensure fair and accessible healthcare and social services for all.

Given the close relationship between health and poverty, the Department has also turned its attention to health and welfare determinants with the aim of achieving comparable health and welfare levels between regions and among the various segments of the population.

2.3 Income disparity and loss of purchasing power

The recessions of the early 1980s and 1990s slowed growth in available income in Québec after decades marked by a significant increase in the standard of living, the modernization of government, and the development of collective instruments that are the pride of Quebecers.

During the 1990s, under the combined impact of the recession early in the decade and the crisis in public finances, income disparities widened in Québec, although not as markedly as the Canadian average. Only the most privileged quintile¹⁰ maintained or increased its purchasing power, whereas the other quintiles saw their purchasing power decrease. Since 1994, however, the purchasing power of the overall population has improved, increasing by an average of 2.9% a year between 1994 and 1999, the last year for which data are available. As for families, the purchasing power of those in the poorest quintile has increased due to government initiatives on behalf of disadvantaged families, whereas singles have seen their purchasing power decline.

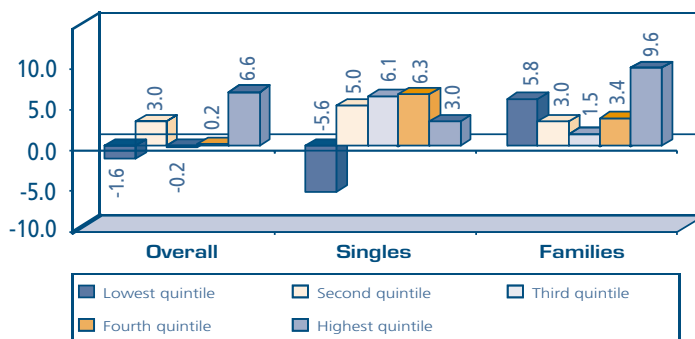
There is a six-year difference in life expectancy at birth between advantaged and disadvantaged groups for Québec as a whole, and a difference of as much as ten years in Montréal, depending on the neighbourhood.

The recessions of the early 1980s and 1990s slowed growth in available income in Québec

During the 1990s, income disparities widened in Québec, although not as markedly as the Canadian average.

Government intervention contributes to the redistribution of wealth and allows for an effective transfer of income from the wealthiest to the poorest.

Percentage change in purchasing power 1994 to 1999



Government intervention contributes to the redistribution of wealth and allows for an effective transfer of income from the wealthiest to the poorest. The two most privileged quintiles transfer an average of 20% to 25% of their incomes, while income levels in the two most disadvantaged quintiles are increased two to four times, depending on the type of household. Despite the economic difficulties of the 1990s, certain groups nonetheless progressed. In terms of the income gap, both single parent families and the elderly saw income disparities decrease slightly.

8 Robert Choinière, *op. cit.*

9 Robert Pampalon and Guy Bertrand, *op. cit.*

10 The highest quintile corresponds to the most privileged 20% (1/5) of the population, whereas the lowest quintile corresponds to the most disadvantaged 20%. Source: Statistics Canada, *Survey of Consumer Finances*.

2.4 Groups more affected by poverty

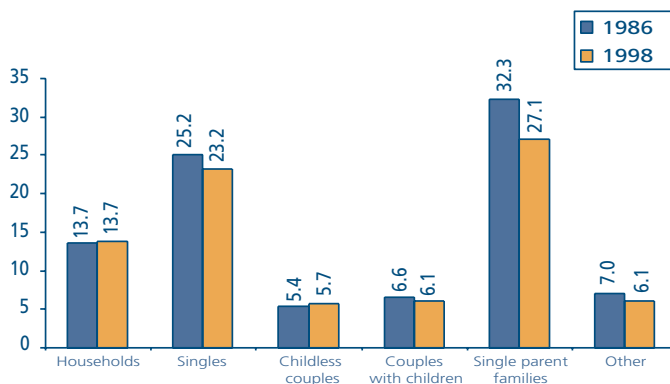
The poverty situation peaked in the wake of the 1990 recession, but has since gradually decreased.

The poverty situation in recent years has varied with different individual characteristics. After peaking in the wake of the 1990 recession, it has gradually decreased. According to the Low Income After Tax Measure¹¹, Québec's poverty rate (13.7% in 1998) is slightly lower than the Canadian household average (14%). Québec ranked fourth among Canadian provinces for fewest families below the Low Income Measure (8.2% compared to a Canadian average of 9.3%) and seventh for singles (23.2% as opposed to 23.1%).

An analysis of the evolution of poverty from 1986 to 1998 based on the Low Income After Tax Measure found that the low income rate for singles was twice that of families. However, the relatively consistent results for families did not apply to all family subgroups. Despite a slight decline in the number of families under the low income threshold from 1986 to 1998 (from 32.3% to 27.1%), a greater proportion of them were single parent families, the vast majority of which were led by women. In contrast, couples, both with and without children, did better (5.7% and 6.1% respectively in 1998)¹².

A greater proportion of families under the low income threshold were single parent families, the vast majority of which were led by women.

Percentage of the population beneath the Low Income Measure, Québec, 1986 and 1998



Singles aged 45 to 64 also accounted for one of the highest proportions: 36.4% in 1998, compared with 30.9% in 1986.

Age and gender have a significant impact on the proportion of households under the Low Income Measure. With the exception of the 45–54-year-old cohort, women make up the majority of people living beneath the low income threshold in every age group. Households led by individuals under 25 accounted for

In Québec, nearly three in ten disabled people live beneath the low income cutoff.

the highest proportion between 1986 and 1998 (48.7% of singles and 21.8% of families in 1998). Singles aged 45 to 64 also accounted for one of the highest proportions: 36.4% in 1998, compared with 30.9% in 1986.

Much remains to be done with respect to poverty among the elderly, although from a strictly economic standpoint, their situation has improved markedly in recent decades. Nonetheless, certain subgroups remain more vulnerable. This is particularly true of elderly single women. Their incomes are lower than those of their male counterparts due to the fact that they may not have worked during their active lives, or may have earned lower salaries, leaving them less likely to have access to private or group pension plan income. Government pensions are often their sole source of income, and two out of three women are eligible for the guaranteed income supplement due to their vulnerable status.

Poverty among the elderly can also take different forms among aging workers and people with failing health. Other aspects may include a lack of social participation, isolation, and transportation problems, particularly in rural areas.

Elders and their welfare are definite priorities for Québec. Their needs are many, and as the population ages, they could grow increasingly acute. This is one good reason why they deserve direct government attention.

In addition to comparisons of gender, age, and type of household, there are other characteristics that increase the likelihood of living in poverty, like having a disability, for example. In Québec, nearly three in ten disabled people live beneath the low income cutoff. The economic impact of a disability is greater for women than men. According to the 1998 Enquête québécoise sur les limitations d'activités (ISQ), 34.5% of men living with disabilities had a total personal income of under \$12,000 a year compared with 49.8% of women in the same situation.

Despite the major decrease in the number of employment-assistance recipients in recent years, the number of individuals with severely limited capacities increased in absolute terms from 106,628 in 1994 to 123,007 in 2001.

¹¹ Half the median income adjusted to take into account family size.
¹² Source: Statistics Canada.

A similar trend is observable among recent immigrants, approximately 17%¹³ of whom were receiving employment assistance in January 2000. Although we have no direct data on poverty levels among visible minorities in Québec, there are ample grounds for concern given that their unemployment rate is approximately twice that of the Québec population in general (22.4% in 1996 compared with an average of 11.8% for the general population). In addition, according to a study conducted by Human Resources Development Canada¹⁴, 20.4% of visible minorities were likely to have experienced persistent poverty between 1993 and 1998, compared with 7.5% of other recent immigrants.

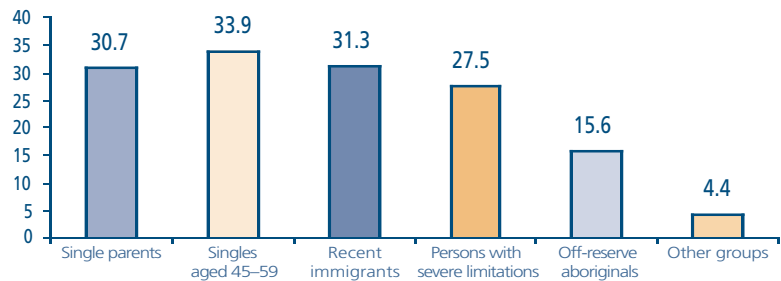
Aboriginal peoples, who represent 1% of Québec's population, also live in difficult economic and social conditions. There again, native women are more likely to live in poverty than native men. In 1996, six out of ten native women in Québec declared under \$10,000 in income, compared with four out of ten native men¹⁵.

Groups at risk of persistent poverty

The proportion of low income earners and changes in their number are simple statistics. They provide no information on the likelihood of long-term poverty. One of the few Canadian studies on this issue¹⁶ found that earnings mobility is quite marked over long periods and tends to be more upwardly than downwardly mobile, especially among young workers. As a result, 72% of people in the poorest population quintile were no longer among the most disadvantaged ten years later.

On the other hand, the probability of long-term poverty is greater among segments of the population identified as being most affected by poverty. The proportion of people living beneath the low income after tax cut-off who remained poor between 1993 and 1998 was 30.7% for single parent families, 33.9% for singles aged 45 to 59, 31.3% for recent immigrants, 27.5% for the disabled, and 15.6% for off-reserve aboriginals, compared with only 4.4% for other segments of the population, as the following figure shows:

Percentage of households with incomes beneath the after tax LIM in 1993 that remained low income in 1998*



* Data for Canada drawn from the *Survey of Labour and Income Dynamics*

In addition, members of groups at risk account for a growing proportion of those living in poverty, up from 45.4% of poor families in 1985 to 56.5% in 1997¹⁷.

Over the past several years, the Government has introduced a number of policies and programs that can help reduce persistent poverty: the policy on the integration of handicapped persons, the Active Labour Market Policy, the Family Policy, the Support-Payment Collection System, the *Pay Equity Act*, etc. These policies must evolve and become more complementary under the National Strategy to Combat Poverty and Social Exclusion in order to be more effective weapons against poverty.

2.5 The working poor

Poverty in most households is the result of adult unemployment, which is lasting for longer and longer periods. However, having a job is not always good enough to escape from poverty.

A significant proportion of poor people have jobs. However, for reasons that have as much to do with the state of the labour market (unemployment, instability, discrimination, etc.) as their personal circumstances (lack of education, psychosocial limitations, etc.), they subsist on short-term employment that does not provide them with enough income to break the poverty cycle. Some even work full time, but

Approximately 17% of recent immigrants were receiving employment assistance in January 2000. The unemployment rate among visible minorities is approximately twice that of the Québec population in general.

The probability of long-term poverty is greater among segments of the population identified as being most affected by poverty.

Members of groups at risk account for a growing proportion of those living in poverty, up from 45.4% of poor families in 1985 to 56.5% in 1997.

13 This figure is derived from comparing MESS data on adult employment assistance recipients from December 2000 with cross-referenced data from the Ministère des Relations avec les citoyens et de l'Immigration and the Régie de l'assurance maladie du Québec (MRCI-RAMQ) on immigrants admitted to Québec between 1996 and 1999 and still living in Québec as of December 31, 2000.

14 Using data from the *Survey of Labour and Income Dynamics*.

15 C Lévesque et al, *Aboriginal Women and Jobs: Challenges and Issues for Employability Programs in Quebec*, Status of Women Canada, May 2001.

16 Finnie, Ross, *Earnings Dynamics in Canada: The Earnings Mobility of Canadians*, Applied Research Branch and Strategic Policy, Human Resources Development Canada, 1997.

17 Human Resources Branch Canada, *op. cit.*

either do not take advantage of—or do not qualify for—employment income supplements designed to mitigate the effects of the market.

Others work part time or on a sporadic or seasonal basis and do not have access to employment insurance or social safety net provisions intended to counter potential health risks. In the event of health problems, they run the risk of renewed poverty and marginalization.

Fully 70% of the working poor are singles or childless couples. And poverty is more serious among singles than among families with children, because the provisions of Québec's Family Policy and the Parental Wage Assistance (PWA) program help low income families to improve their lot.

2.6 High-poverty areas and regional inequalities in Québec

In Québec, wealth, and consequently poverty, are unequally distributed.

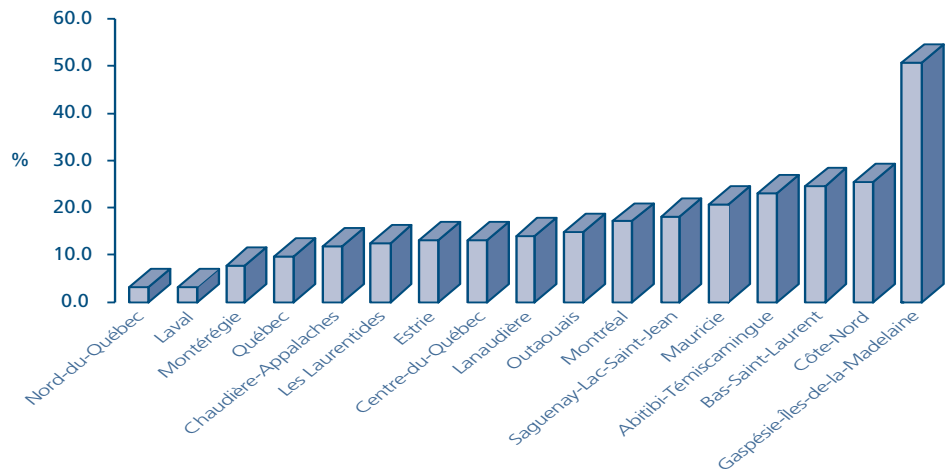
In Québec, wealth, and consequently poverty, are unequally distributed. Concentrations of poverty are much higher in certain areas. It is possible to determine which of Québec's regions are more disadvantaged than average using a material deprivation index that measures average income, education, and the employment/population ratio¹⁸. According to the index, the percentage of the population forming part of the poorest quintile for Québec as a whole varies from region to region. Certain areas such as

Laval, Montérégie and the immediate suburbs of the former city of Montréal appear relatively well off, whereas resource regions such as Abitibi-Témiscamingue, Côte-Nord, Bas-Saint-Laurent, and Gaspésie-Îles-de-la-Madeleine are undeniably less well off in material terms.

In contrast, the social dimension of the index, which focuses more on concentrations of singles, single parent families, and individuals who are widowed, separated, or divorced, reveals a very different portrait. This social dimension allows us to estimate how isolated individuals are from support networks. Isolation is much higher in certain big city neighbourhoods than in rural areas, a situation that does little to foster mutual assistance. From a social perspective, Gaspésie-Îles-de-la-Madeleine and Nord-du-Québec appear to be the most advantaged regions, whereas Québec City and Montréal are clearly the most deprived. The scope of the phenomenon is much greater in large cities than in more isolated areas.

The social dimension of deprivation is of little use on its own. It reflects societal changes that go far beyond the issue of poverty. However, combining the material and social dimensions of deprivation reveals significant differences between regions. Areas that are the most socially and economically advantaged have the fewest health and social problems and the least poverty. In contrast, areas with the highest rates of both material and social deprivation are those with the highest incidence of health and social problems as well as poverty.

Percentage of the most deprived population, combined material and social dimensions (weighted), Québec regions, 1996



¹⁸ This index was developed by Robert Pampalon and Guy Raymond of the Ministère de la Santé et des Services sociaux. See "A Deprivation Index for Health and Welfare Planning in Québec," *Chronic Diseases in Canada*, 2000, (21) 3.

Gaspésie-Îles-de-la-Madeleine clearly emerges as the poorest region of Québec, followed by other resource regions: Côte-Nord, Bas-Saint-Laurent, and Abitibi-Témiscamingue.

In order to target areas within the different regions for special action in high-poverty zones, a number of poverty indicators must be superposed and validated by community resources familiar with the area and local dynamics. Choosing indicators like a significantly higher-than-average poverty level in a given area makes it possible to single out sectors for priority action. In a city like Montréal, these correspond to “sensitive neighbourhoods” well-known to community workers and stakeholders. In the regions, they correspond to aging central neighbourhoods in small and mid-sized towns, areas with high seasonal employment rates, certain rural zones, etc.

All of these different situations must be closely examined. Although wealth is concentrated in cities, the distribution of wealth remains highly unequal. This leaves entire neighbourhoods grappling with the well-known scourge of urban poverty, even though large cities generally appear to be better off than rural regions. Given the significantly higher cost of living in cities, it takes more resources to get by. It is for this reason that material deprivation in a city like Montréal seems so much more dramatic.

On the other hand, city living offers benefits (jobs, public transit, proximity of services, etc.) that help make up for certain costs. Without access to these benefits, rural inhabitants face their own special problems—insufficient group services, public service access problems, youth migration, etc.—which are addressed in Québec’s new rural policy.

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Chapter

Orientations and priorities of a Québec strategy

In order to break the cycle of poverty and social exclusion, it is essential that action be broad-based. Initiatives will focus on five major areas:

- Prevention: promoting personal empowerment
- Strengthening the social and economic safety net
- Promoting job access and employment
- Mobilizing society as a whole
- Ensuring consistency and coherence of action at all levels.

First Orientation

Prevention: promoting personal empowerment

In a democratic society like Québec, the exclusion of a portion of the population stems not only from people's inability to meet their financial needs, but also from people's inability to forward their own personal development. Being independent in a market economy means holding down a legitimate job or having another legal source of income sufficient to provide oneself with food, accommodations, clothing, and leisure activities. It also means having the personal knowledge needed to live as an active member of society. In short, to be independent an individual must be able to master certain skills and have the basic

training necessary to participate in democratic and economic life in Québec.

A strategy to fight poverty by promoting the empowerment of all Quebecers requires a full team of partners and action in a wide range of fields. Such a broad-based preventive approach requires acknowledgement that personal skills and potential can be developed in other places than schools.

In a society where knowledge is of growing importance, access to education is increasingly the key to true citizenship. Skills development is central to reducing poverty and building solidarity. Low education levels and poverty are closely linked. A lack of training increases the risk of unemployment, one of the main determinants of poverty.

A reasonable command of basic skills¹⁹ and the acquisition of professional and technical skills are also essential to labour market integration, which is the best route to financial independence and sufficient income to live decently.

Developing one's skills and potential begins at home. It continues in daycare, at school, during extracurricular and community activities, and in recreation and sports, all of which have a direct impact on socialization and the strengthening of family life through contact with culture, information and communication technology, and training in all its forms. Skills development

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¹⁹ In a knowledge society marked by globalization, technological progress, and increasingly complex social and professional situations, basic skills include an understanding of and ability to use written information in everyday activities at home, at work, and in the community; effective communication with one's peers and community; the ability to use information and communication technology for training as well as for recreation and other activities; and the knowledge required to fulfill all of one's roles as a citizen.

Assistance must be provided with an understanding that the family is the focal point for personal development.

To quickly increase the number of places available, the government injected \$50 million into the program this year, funding construction starts on 80 new daycare facilities that will provide an additional 5,000 openings in the coming months.

is a life-long process that continues even in the workplace through professional development activities.

Personal development also has roots in the state of health and general welfare of an individual. Low birth-weight has a high incidence among underprivileged groups and impacts a child's development; food insecurity hinders the ability to learn; low education levels and unemployment are rampant among young people raised in the child protection system. Complementary initiatives centred on health and welfare are therefore a vital component of any broad-reaching, integrated approach to empowering Quebecers.

If individuals are to be made accountable for their own development, they must first be given a minimum skill level and taught how to learn. It is only then that all members of society can take responsibility—within the scope of their own limitations—for developing their skills and reaching their potential.

The actions put forward in the National Strategy to Combat Poverty and Social Exclusion to promote personal empowerment should focus on three priorities:

- The family, as the focal point for the development of individuals and society as a whole
- Young people, as the future of Québec
- Adults in the most vulnerable groups.

PRIORITY 1 **Support the family as the focal point for the development of individuals and society as a whole**

Because of the changes and difficulties brought about by today's new blended families, families need more support to fulfill their role—particularly young families at higher risk of persistent poverty and with fewer resources to ensure their children's well-being and development. Assistance must be provided with an understanding that the family is the focal point for personal development. And so, while preventive action ultimately targets the child, it must be taken in a spirit of respect and support for the parent's role.

Over the last decade and more, child poverty has been a growing challenge. More and more initiatives have been taken to break the cycle of intergenerational poverty by giving children a "better chance." Any effort to improve the health and welfare of children at

high risk of poverty must take into account the importance of the family in a child's life. Effective action on behalf of children must include increased support for their parents, helping entire families break free of their vulnerable state.

• Supporting families: significant steps in Québec

With its Family Policy, the Government of Québec has taken significant steps in recognizing the importance of providing integrated support, thereby helping families prosper and better their circumstances. Thanks to the subsidized daycare network, which should be complete in 2005-2006, all parents can give their children the benefit of first-rate early childhood education. To quickly increase the number of places available, the government injected \$50 million into the program this year, funding construction starts on 80 new daycare facilities that will provide an additional 5,000 openings in the coming months.

When it comes to assisting families affected by poverty, a number of Government of Québec and private initiatives emphasize an "environmental" or holistic approach.

Early childhood education programs have been developed to provide underprivileged children the benefit of intellectual, motor, language, and socio-emotional stimulation in a daycare setting. Corresponding activities are also offered to parents to help them enhance their parenting skills or build stronger support networks.

For school-aged children, in-school daycare offers an appropriate learning environment and generally meets the needs of parents who work or attend school. The Ministère de la Famille et de l'Enfance (MFE) is experimenting with a variety of models to meet unconventional daycare needs (evenings, nights, weekends, etc.). Nearly \$1 million was devoted to the MFE's experimental projects for these services in 2001-2002.

Naître égaux – grandir en santé (NÉ-GS)

Extreme economic and social poverty and low education levels put certain families at risk of health and psychosocial problems, such as anemia among pregnant women, premature births, postpartum depression, social isolation, and adaptation and learning difficulties

among children. Regular services are not sufficient to fill these families' needs. The NÉ-GS program, run by the Ministère de la Santé et des Services sociaux (MSSS), reaches out to these families using proven approaches to offer them the following services:

- Individual at-home monitoring from the 20th week of pregnancy until the child reaches the age of 2, provided by a specialized support worker backed by a multidisciplinary team
- Community support services to break family isolation, help families make use of the full range of community resources available, and encourage their integration into the community
- A cross-sector approach that consolidates the community's efforts to support families and improve their living conditions.

Ma place au soleil

It is nearly impossible for people raising children—particularly young single mothers—to permanently break free of employment assistance when job opportunities are limited to unstable, minimum-wage jobs.

Parenting is always difficult, but it is even more so for those in unstable personal and financial circumstances with few resources to support them. Finding a job is hard, especially without experience, skills, or money. But going back to school is a tremendous challenge, particularly for those who are not sure where to begin, have all kinds of hurdles to overcome before they can even start, receive little encouragement to do so, and have not had much success in school in the past. That is why Ma place au soleil invests in medium to long-term efforts to develop professional skills using a cooperative, multipartnership approach centred on close contact with the young people involved.

This satellite project by Solidarité jeunesse takes a partnership approach. Everyone works together to help young heads of families solve their transportation and daycare problems, provide the necessary support for parenting, and offer training adapted to participants' family responsibilities.

The Ma place au soleil program is currently running in 27 local employment centres (CLEs) and has had a 70% retention rate, compared with the usual 20% to 30% retention for adult education.

When the Bough Breaks: Taking care of the branches, nest, and nestlings

A team of researchers at McMaster University in Ontario looked at the various support services available to families living in poverty (health and social services, daycare, recreation, workplace integration, etc.) in order to formulate the best combination that would maximize the impact on the family and return on investment for the government. The *When the Bough Breaks* project, an experiment backed by Human Resources Development Canada (HRDC), also measured the relative effectiveness of offering integrated services through a family support worker, as opposed to putting the onus on the parents to seek out the services they feel they need.

From 1994 to 1999, the team conducted a study of 765 single parent families receiving social assistance and found that when a family is assigned a support worker who provides an integrated package of services, the results are extremely positive. This approach was shown to be the most effective and least costly. The study found a strong cumulative effect between the different types of services. For example, when a child benefits from recreational services, his or her dependence on health and social services can be expected to drop by half in four years.

In its report, the research team recommended that broad-reaching, proactive support be offered to all families living in poverty, regardless of whether or not they receive social assistance.

Parenting is always difficult, but it is even more so for those in unstable personal and financial circumstances with few resources to support them.

• Supporting families through a broad-based, integrated approach

More and more Government of Québec research and programs take a broad-based, integrated approach. Whether an underprivileged family is led by one parent or two, it has specific needs, and those needs are being increasingly recognized and accounted for. The best way to eliminate family poverty seems to be to assist families in reconciling their work and parenting responsibilities and help them find and keep jobs with salaries and other conditions that make it possible to reach a higher standard of living.

The Government of Québec offers underprivileged families an abundance of services, either through the MFE or the MSSS. Québec believes that the more synergy there is between the services offered through the various sources, the better the odds of success. A broad and integrated approach puts the individual at the heart of all support initiatives. This helps parents address their overall situation, define their needs and those of their children, and determine what resources they require to rise out of poverty.

The integration of services for families living in poverty and social exclusion is a value-added component of the National Strategy to Combat Poverty and Social Exclusion.

The Government of Québec's initiatives to support family income will be specifically addressed in the section on strengthening the social and economic safety net.

PRIORITY 2 Greater support for the young people of Québec: Building tomorrow today

As the aging of our population accelerates in the years to come, Québec will need educated young people in order to be competitive in a knowledge economy. This was what led the Government to adopt the Québec Youth Policy, which seeks to

- help young people reach their full potential
- facilitate access to the job market and improve the quality of working life.

Priority support for young people will be an integral part of the Youth Policy action plan soon to be tabled.

The central goal will be to further integrate and guarantee the services offered to young people.

Young people are not a homogeneous group. Their situations vary greatly with age and status, whether they are students, members of the workforce, unemployed, or on income security.

In 2000, 18.3% of teens aged 15 to 19 and not in school were unemployed; for people aged 20 to 24, the rate was 11.4%. In comparison, the unemployment rate in 2000 for people aged 25 to 29 was 8.8%, similar to that for the population as a whole, which stood at 8.4%²⁰. Among visible minority groups, however, a full 29.9% of those aged 15 to 24 were unemployed at the time of the 1996 census²¹.

Young people are very much at the mercy of changes in the economy. After a low in the early 1990s, the economy has turned up in recent years, creating more jobs and having a positive impact on many young people's lives. The number of income-security applicants under the age of 25 and able to work fell 42.6% in the last five years, dropping from 63,855 in August 1996 to 36,663 in August 2001. For the adult population as a whole, the same period saw a drop of 24.5%²².

The last few years have brought a discernible growth in employment and a significant drop in income security applications from young people. Nevertheless, many remain excluded from the labour market or are at risk of exclusion if nothing is done to support their efforts at socioprofessional integration and help them acquire the tools and training they need to remain in the workforce.

Demographic trends point to a significant decline in the working age population beginning in 2010. People under 25 who have either dropped out of school or earned only minimal education will then not only be at risk of poverty, but also of economic, political, and social exclusion.

• Low education levels: a risk factor for exclusion

The Ministère de l'Éducation du Québec (MÉQ) and the Ministère de l'Emploi et de la Solidarité sociale (MESS) have drawn a clear link between dropping out of school and poverty²³. There is a direct relationship

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20 Ministère de l'Emploi et de la Solidarité sociale, *Les jeunes : le marché du travail et le recours à l'assistance-emploi*. Direction de la recherche, de l'évaluation et de la statistique, September 2001.

21 ALPA, Québec Multi-Plus, Emploi-Québec. *Focus sur les minorités visibles. Étude sur les motifs et attitudes des employeurs freinant l'embauche des minorités visibles au sein des entreprises québécoises*. Montréal, Spring 2001.

22 Ministère de l'Emploi et de la Solidarité sociale, *Compilation spéciale*. Direction de la recherche, de l'évaluation et de la statistique, March 2002.

23 Moreau, Lisette. *La pauvreté et le décrochage scolaire ou la spirale de l'exclusion*. DRES, MESS, 1995.

between employment income and education. “The higher the level of schooling, the higher the employment income [and] the lower the risk of unemployment.”²⁴ In the changing labour market, people who leave school without earning a qualifying diploma²⁵ face greater and greater difficulties.

According to MEQ findings, nearly one in five²⁶ students leave school before earning a diploma. Young men drop out more often than young women, but the reasons are different—and the consequences are sometimes more serious for women.

Early results from the Youth in Transition Survey²⁷ showed that young men and women alike mostly dropped out of school for academic reasons. But in other cases, they went their separate ways: for young men, getting a job and earning money was important; for young women, pregnancy and child rearing were their reason for leaving. Statistics also show that male dropouts tend to do better on the job market than females. Young women face higher unemployment rates and earn lower wages than men²⁸.

A few underprivileged areas of Montréal have high concentrations of young people in visible minority groups. According to the Conseil régional de l’Île-de-Montréal, the dropout rate in these areas tops 40%. Many of these youths face discrimination. Others have to deal with drug addiction. Still others live at youth centres for a time because they have been victims of violence or are having social adjustment problems. And some of these young people live on the streets.

It all adds up to high numbers of young people relying on income security. If nothing is done to help them from the outset, their problems may go on for years. Their skills and self-esteem will deteriorate, putting them at risk of permanent social exclusion.

The percentage of students under the age of 20 earning high school diplomas varies greatly by region. In 1998–1999, Abitibi-Témiscamingue, Outaouais, and Côte-Nord had the lowest high school graduation rates (62 to 64%).

• Past progress in youth support and preventive services

At the Québec Youth Summit, the Government of Québec and all other groups in attendance committed to making the schooling and socioprofessional integration of young people absolute priorities. These priorities were later incorporated into the Québec Youth Policy released in May 2001.

• In-school preventive measures to promote success and prevent dropouts

Given the risks associated with inadequate education levels, MÉQ has already instituted a number of measures to discourage young people from dropping out of school, addressing the problem as early as the pre-school level. For example, since 1997–1998, all-day kindergarten has been available for all five-year-olds and educational programs have been made increasingly available for four-year-olds with disabilities or disadvantaged backgrounds. In 1998–1999, a full 97% of five-year-olds attended all-day kindergarten. The number of children enrolled in kindergarten at the age of four jumped significantly over the last decade, from around 9% in 1991–1992 to 17% in 1998–1999²⁹.

So that elementary and secondary school students achieve academic success and stay in school longer, the goal is to do as much as possible to help a maximum number of students graduate and qualify for the field of their choice, each according to his or her own potential. Schools have been urged to draw up academic success plans assessing the learnings and progress required of students. These success plans reflect a newly emerging proactive approach that calls on all socioeconomic players to work together in each community.

Another noteworthy program was adopted in Montréal in 1997 to help the most vulnerable students at selected city schools. The inspiration for the program is a desire to provide schools the autonomy they need to set out their own action plans and develop their own projects in accordance with local

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24 Ministère de l’Éducation du Québec, *Education pays!* Education Statistics Bulletin, N° 16, 2000.

25 CETECH, “Les indicateurs du CETECH”, *Revue du nouveau marché du travail*, Vol. 1, N° 1, Spring 2001, p. 17.

26 Ministère de l’Éducation du Québec, *Stratégie de lutte contre la pauvreté : la contribution de l’éducation, cibles d’action 2000*, p. 3.

27 Human Resources Development Canada and Statistics Canada (2002), *At a Crossroads: First Results for the 18 to 20-Year-Old Cohort of the Youth in Transition Survey*.

28 Council on the Status of Women (1999), *Parce que la jeunesse concerne aussi les femmes : propositions d’action en vue du Sommet du Québec et de la jeunesse*.

29 Ministère de l’Éducation du Québec, *op. cit.*, p. 52.

priorities. Innovative new measures have been taken under the program, including changes to the pedagogical approach used and to the relationship between the school, the family, and the community.

In the same spirit, the program Agir autrement set the stage for a number of pilot projects aimed at increasing academic success among first, second, and third-year secondary school students in underprivileged areas with above-average dropout rates. Developed in cooperation with the school boards, these projects draw on each school's staff and parent board to take innovative action specifically adapted to its own environment.

Other preventive measures, like the École et milieux en santé program, focus on developing the learning environment and community to their full potential. These programs are based on universal preventive action to promote health, targeted preventive action aimed at children and adolescents at risk, and the creation of environments conducive to health and well-being. Their aim is to bring the school, the family, and the community together in a partnership.

To address the special needs of young dropouts in visible minority groups, MÉQ and MRCI (Ministère des Relations avec les citoyens et de l'Immigration) adopted a Plan of Action on Educational Integration and Intercultural Education in 1998.

Lastly, the various partners in the youth social service network have made great efforts to systemize their services and make them more permanent and targeted so that troubled youth get services that are better adapted to their needs. With this in mind, youth intervention teams will be gradually put into place in each region of Québec.

From School to Work in Scandinavian Countries

Scandinavian countries have taken significant action to curb dropout rates and ease the school-to-work transition for their youth. Countries like Denmark, Norway, and Sweden have instituted both preventive and curative measures to address the dropout issue. They favour an integrated approach that brings educational, employment, and social services together at the local level and draws on all available resources to respond to the specific needs of each individual. Municipalities and counties have a legal obli-

gation to provide specialized services to young people who have dropped out of school or are unemployed.

• Early intervention to encourage socioprofessional integration: Solidarité jeunesse

In the wake of the Québec Youth Summit, the Ministère de l'Emploi et de la Solidarité sociale spearheaded a research-action project to establish the best means of helping young Quebecers achieve social and professional integration. The program, known as Solidarité jeunesse, is aimed at young people who make a first application for income security.

In effect from November 1, 2000, to October 31, 2002, the Solidarité jeunesse research-action project seeks to help employment-assistance applicants aged 18 to 20 attain financial independence.

The program is paying off big for its young, voluntary participants. According to the department's figures, 56% of participants broke free of income security and began earning their own living within 12 months. Another 26% were still on income security but were following up on job leads. A full 82% of the young people taking part in Solidarité jeunesse are now active.

The Solidarité jeunesse program was developed as a local partner initiative governed by a memorandum of understanding between Sécurité du revenu, Emploi-Québec, and youth organizations (particularly the Carrefours Jeunesse-emploi). The understanding also draws on the services of the immediate educational and health milieus.

The program's success hinges on three factors:

- Services are personalized for each individual.
- Assistance is offered as an integrated package.
- The program permanently mobilizes communities through a partnership between government organizations, socioeconomic partners, and each community's own members and organizations.

The forum planned for fall 2002 will provide an opportunity to work out a fresh approach to helping young people who are eligible for employment assistance.

The Solidarité jeunesse program is further supported by a number of satellite projects tailored to specific groups:

- Ma place au soleil, targeting young single mothers receiving income security
- Espoir pour les jeunes de la rue, for young people living on the streets
- A project for young members of visible minority groups in Québec
- A project for young people living in youth centres.

• Youth participation in active employment measures

It is important to note that many of the young people who are unemployed or receiving employment assistance turn to Emploi-Québec for its programs and services. Participation in active employment measures is a part of the Individualized Integration, Training and Employment Plan approach.

For the 2000–2001 fiscal year, over 49,000 young people under the age of 25 became first-time users of Québec’s active employment measures. Of this number, about a third took part in job-readiness programs and a quarter in labour force training programs.

• Vocational training and success as the key to the future

The best way to integrate young people into the workforce is to help them become qualified in a particular field. Education and training are thus concrete solutions to exclusion as well as a way for all capable members of society to continue learning and acquiring skills throughout their lives.

The school system must seek out new ways to help young people avoid the risk of persistent poverty due to low education levels by encouraging them to go back to school and guiding them to success and social reintegration. And to do so, it must work in cooperation with government, the community, and employers.

Québec’s approach to curbing the school dropout rate is clearly defined in the orientations and policies currently being implemented. The next step is to fully integrate the actions under the leadership of schools by seeking to accomplish the following:

- Step up efforts to help young people so that fewer drop out and they find it easier to integrate socially

- Diversify training opportunities for young men and women³⁰ who experience difficulty in school and learn better in a setting that emphasizes practical rather than theoretical training
- Set up more programs along the lines of École en santé by involving schools and communities in the development of environments conducive to health and well-being
- Ensure access to education throughout Québec, particularly in resource regions and rural communities
- Continue targeting young employment-assistance applicants through the broad-based Solidarité jeunesse research-action project, developing concrete recommendations to guide the Government as it hones its approach to the problem
- In a new spirit of commitment to solidarity, provide a true continuum of services to youth by taking an integrated, needs-based approach that combines social services, education, job assistance, and community action to get young people who lack education to go back to school and integrate into society.

PRIORITY 3 Help adults in the most vulnerable groups become fuller citizens by developing their skills

A lack of qualifications and sufficient skills is a major impediment to social integration and participation in democratic life. Too often, low income earners face serious obstacles in acquiring the information, knowledge, and skills they need to develop their potential and find a place in the job market and in society. This puts them at high risk of exclusion and accentuates inequalities.

The previous section addressed the challenges specific to young people, but other groups also face significant problems in acquiring skills and having their achievements recognized, which heightens the risk of persistent poverty.

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A lack of qualifications and sufficient skills is a major impediment to social integration and participation in democratic life.

30 Young women must also be introduced to a more varied selection of fields and guided toward the professions of the future.

• Québec's policy on adult education and lifelong learning

In order to address the adult education issue, which is particularly important in today's knowledge society with all the new challenges it presents, the Government of Québec has recently released its first policy on adult education and lifelong learning. Ongoing education is important for everyone, but gaining access to it is particularly difficult for certain groups. In addition to young high school dropouts, the following groups also require support services and solutions that are better tailored to their needs:

- **People with disabilities:** Compared with the rest of the population, people with disabilities are at twice the risk of receiving inadequate basic education, seriously limiting their access to the job market.
- **Immigrants:** To enter the job market, immigrants require help at a number of levels, from French language training to complementary studies and the acquisition of new skills.
- **Natives:** The majority of natives leave school before earning a diploma and many native adults have low literacy levels.
- **Workers over the age of 45:** In 1998, more than a quarter of Québec's workforce aged 45 to 64 had not graduated from high school.

Within each category, women with low education levels and living in poverty face particular challenges. Many single mothers, newly immigrated women, and native women, for example, require training specifically adapted to their situations. This makes a gender-specific approach the best strategy.

Since lifelong learning is a key to employment and social inclusion, Québec's policy on adult education seeks to foster a positive environment where individuals struggling with exclusion due to incomplete initial education or a lack of access to continuous training can find solutions to their particular needs.

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• Basic education for adults

Statistics show that in 1996, nearly 1.5 million Quebecers between the ages of 15 and 64 had attended school for less than 13 years and had never graduated. Of this group, 41% (611,000 people) had less than nine years of schooling. And far too few were taking training programs to remedy the situation. One of the most serious consequences is poverty, since a lack of education greatly hinders integration into the job market.

Basic education includes a combination of general, garden-variety skills that go beyond mere "literacy." In a knowledge society marked by globalization, advancing technology, and increasingly complex social and professional situations, basic education has, as we mentioned above, come to mean more than just reading, writing, and arithmetic.

The Government of Québec will take the following action to help the population meet its basic education needs:

- Increase the basic education level in Québec
- Enrich the content of basic education and literacy programs
- Adapt the services available to the special needs of society's many groups
- Support adults in their continuing education efforts.

• Job-based continuing education

In today's world of globalization, competition, and technological progress, it is essential for adults to continually update and hone their skills in order to find and keep their jobs and reduce the risk of poverty. That is why the Government must take action to

- Ensure equal access to training for all members of the workforce
- Increase the training support available to very small businesses, self-employed workers, and individuals in atypical work situations
- Make education accessible to groups of the population facing particular challenges with socio-professional integration.

• Recognizing skills and achievements

Learning can take place in many places and in many ways. But the system is marred by a number of flaws, often working against adults striving to better themselves—especially those living in poverty. Take immigrants, for example, whose skills and achievements are often not recognized, making social and economic integration a heavy challenge. The Government of Québec will therefore take action to

- Promote all means of developing and officially recognizing the continuing education efforts of adults
- Institute a system for developing and recognizing skills in the workplace
- Focus its efforts on groups of society facing particular challenges.

• Access to New Information and Communications Technologies (NICT)

In the fight against poverty, social exclusion, and the “digital divide” (the ever-growing inequality of access to technology between the educated “haves” and the uneducated “have-nots”), the Government will explore ways to reduce inequalities and make information and communication technology more accessible to people living in poverty. Disparities in access to technology also have a regional component. Some small villages are without cable and some regions are not connected to the information superhighway.

• Continuous training for adults: an essential tool in combating poverty and social exclusion

For all these reasons, the increased support for skill development among particular groups, as provided for in the policy on adult education and lifelong learning, will make a significant contribution to the fight against poverty and social exclusion. A number of the groups specifically targeted in the strategy will see notable improvements in their situations as the policy’s measures are implemented.

Second Orientation Strengthening the social and economic safety net

Strengthening the social and economic safety net is the second component of the National Strategy to Combat Poverty and Social Exclusion and involves taking realistic action to move toward a society where poverty and exclusion are less and less prevalent. It is also a springboard for improving the living conditions of the poor, reducing the income gap, and advancing the Québec model of solidarity.

Building on achievements—a historic note

Québec first developed an income support plan at the time of the Quiet Revolution. Since then, this plan has evolved, changing along with society and the economy in the 1980s and 1990s.

By 1970, the *Social Aid Act* combined and made universal the various financial aid measures for people in need. The act thus established the right to assistance of anyone in need, regardless of the reason.

The following year, the Commission of Inquiry on Health and Social Welfare of Québec (known as the Castonguay-Nepveu Commission) proposed a form of guaranteed minimum income in two parts—an income support program for jobless people and a employment income supplement program for low-income individuals. The idea gained ground and, in 1984, a white paper on personal taxation put forward three main recommendations in this direction:

- Cover the basic needs of households through transfer programs
- Not to tax the portion of income used to cover these needs
- Gradually reduce transfers as family income increases.

In addition to the personal income tax reform of 1988, the white paper led to the income security reform of 1989, introduced in response to an increase in the number of recipients and in the proportion of persons able to work. The *Act respecting income security* of 1989 was aimed at providing financial aid

Strengthening the social and economic safety net involves taking realistic action to move toward a society where poverty and exclusion are less and less prevalent.

The new family allowance for children, the financing of child care spaces, the Shelter Allowance Program, and the drug insurance plan are among the measures introduced to provide additional support to low-income persons seeking to enter or remain in the job market.

to persons unable to support their needs and helping them regain their independence through work.

In particular, this act established the PWA program to provide financial aid to low-income workers with dependent children. In conjunction with this, a tax cut for families was introduced into the tax system, eliminating income tax for families whose income qualified them for this program.

Social assistance: Unit or category approach

In selecting populations to receive assistance, the so-called “unit approach”—targeting the poor based on objective criteria such as need and developing a single legislation for these people—has been applied in Québec since 1970. A number of countries maintain a category approach—applying various laws to different population groups, or restricting aid to certain groups. This is the case in the United States, for example, which limits aid to families with children and to persons with disabilities. The United Kingdom and Germany take the same approach as Québec in addressing the entire population. France has a mixed approach, maintaining seven programs tailored to different population categories and an eighth—the minimum integration income (RMI) of 1988—that serves as a final safety net for others. Young people under 25 are excluded from the RMI. The aid they are granted is based more on employment opportunities.

• Recent actions

Thanks mainly to the harmonization of the PWA program and tax thresholds, as well as recent tax cuts, 43% of taxpayers are not subject to 2002 Québec personal income tax.

In recent years, the Government has made efforts to widen the social and economic safety net despite big cuts in federal contributions to social programs and the need to restore public finances to health. The new fam-

ily allowance for children, the financing of child care spaces, the Shelter Allowance Program, and the drug insurance plan are among the measures introduced to provide additional support to low-income persons seeking to enter or remain in the job market.

The entry into force of the *Act respecting income support, employment assistance and social solidarity* in October 1999 was another important step. The new income support scheme demonstrates the Government’s commitment to providing financial aid and a range of personalized services, including the Individualized Integration, Training, and Employment Plan, to those unable to support themselves.

Since Québec put its financial house in order, the Government has adopted a series of measures aimed at addressing the objective of better meeting the basic needs of employment-assistance recipients and making it worth their while to hold down a job. The past 12 months have seen the automatic annual indexing of employment-assistance benefits and the elimination of the shared dwelling penalty and the housing test.

In addition, Action emploi was introduced. It is a job transition measure for long-term recipients that provides temporary employment income supplements for up to three years. Lastly, the PWA program was simplified, making it more attractive.

Making it worthwhile to work

While Québec was a pioneer in the area of employment income supplements in Canada by introducing the PWA program in 1988, the United Kingdom—with the Working Family Tax Credit in 1971—and the United States—with the Earned Income Tax Credit in 1975—were even more avant-garde. More recently, countries such as New Zealand, Italy, and Ireland, as well as other Canadian jurisdictions have in turn taken this direction.

Participants at an important conference held in Vancouver in 1998³¹ on the transition to a knowledge-based society regarded employment income supplement programs—which make work more advantageous—as a promising solution to escalating exclusion and income inequality.

31 Kjell Rubenson and Hans G. Schuetze, Presentations made at this conference are published in *Transition to the Knowledge Society: Policies and Strategies for Individual Participation and Learning*, 2000.

Even more recently, a conference held in London in 2000 on the topic *Opportunities for All*, organized jointly by the OECD and the United Kingdom, drew attention to the importance of policies aimed at encouraging labour market integration by making it worthwhile to work.

In sum, over the years Québec has developed a social and economic safety net which, through its progressive taxation, numerous transfer programs, and range of public services, is the envy of many of our neighbours and is one of the proudest accomplishments of our society. This social and economic safety net plays a considerable role in alleviating market-generated income disparities.

• Causes for concern

Despite the avant-garde features of Québec's social and economic safety net, the following points need our attention and require discussion on possible improvements:

- The persistence of too high a poverty level and a significant proportion of persons who work but remain poor
- The persistence of the socioeconomic gap between men and women
- The increasing concentration of poor persons in certain groups (single parent families, severely limited persons, recent immigrants, and visible minorities)
- The proportion of long-term poor.

In response to these points, international comparisons establishing a positive correlation between the level of social investment and a low incidence of poverty³² are an encouragement to invest in improving the social and economic safety net.

Strengthening the social and economic safety net requires action on two priority fronts:

- Increasing the basic income guaranteed to all individuals and families

- Recognizing social housing as the anchor point for the insertion of individuals facing difficulties.

PRIORITY 1 Increasing the basic income guaranteed to all individuals and families

In the area of income support, recent efforts—such as the announcement of the automatic annual indexing of all employment-assistance benefits, as well as the elimination of the shared dwelling penalty and the housing test—show the importance of this issue for the Government as it steps up efforts to combat poverty.

The strategy suggests that we as a society seek to meet the following objectives as our collective wealth so permits:

- To ensure that individuals who are unable to work due to a seriously limited capacity for employment and those who are employed full time or on a regular basis can increase their income thanks to greater state financial aid³³
- To ensure that those who can be integrated into the workforce and are using the Employment-Assistance Program can also increase their available income to the extent that they work and/or develop the required skills to enter the workforce within the framework of an active employment measure.

• Solidarity income

The pursuit of these objectives will be aided, in particular, by developing the concept of a solidarity income. This income is the level to be targeted in increasing the income of people living in poverty, with variations depending on household makeup.

It is the amount of disposable income people should have. The concept of solidarity income is based on the idea that the state must help households supplement their independent income through transfer programs or tax measures. The desired objective is for approximately 200,000 households to reach this income level in three to five years.

As a society, seek to ensure as we grow collectively wealthier that individuals who are unable to work due to a seriously limited capacity for employment, that those who are employed full time or on a regular basis, and that those who can be integrated into the workforce and are using the Employment-Assistance Program—to the extent that they work and/or develop the required skills to enter the workforce within the framework of an active employment measure—can increase their available income.

32 *Pauvreté, marché du travail et sécurité sociale dans les pays de l'OCDE*, Center for Social Policy.

33 The income level remains to be agreed upon. Initially, the aim could be to help these people attain the level of the LIM.

The automatic annual indexing of employment assistance benefits was announced as a way to protect the purchasing power of the most disadvantaged.

The level of this income must be based on a solid consensus. Without denying the difficulty of achieving unanimity on the income level at which a person is no longer considered poor from an economic standpoint, it must be noted that the results of the various poverty measures adjusted for Québec (cost of living, taxation, transfers) show little difference.

Indeed, the Low-Income Measure (LIM), the draft Market Basket Measure (MBM), and Low Income Cutoffs (LICO) personalized for Québec paint a picture of poverty that is roughly similar for all household categories, except for single persons.

In the recent additional budget statement, the automatic annual indexing of employment assistance benefits was announced as a way to protect the purchasing power of the most disadvantaged. On the same occasion, the elimination of the shared dwelling penalty and the housing test was announced.

The National Strategy to Combat of Poverty and Social Exclusion proposes to improve the Employment-Assistance Program by setting forth the following orientations and principles:

Poverty Measures Adjusted for Québec						
July 2001	Single person	Childless couple	Single parent 1 child	Single parent 2 children	2 parents 1 child	2 parents 2 children
MBM (1996 indexed for 2001) Québec	\$10,587	\$14,822	\$14,822	\$17,998	\$17,998	\$21,174
LIM After taxes—Québec	\$10,661	\$14,926	\$14,926	\$18,124	\$18,124	\$21,323
LICO Other "personalized" taxes	\$12,363	\$14,923	\$14,923	\$18,808	\$18,808	\$21,096

• **Solidarity income and federal tax**

Discussions must also be held with the federal government on increasing its tax thresholds. For example, in 2001, the tax threshold was \$11,681 for a single person in Québec but \$7,771 at the federal level. A single person working full time (30 hours per week) was exempt from Québec taxes but paid \$393 in federal income tax. The federal government must stop taxing poverty. Every effort must be made to have it correct this situation. The establishment of a solidarity income must have as a tax policy corollary that persons with incomes below this threshold do not pay income tax.

• **A better guarantee of income against an undertaking of reciprocity**

Since the zero deficit was achieved, benefits for persons without a severely limited capacity for employment have been adjusted annually for the cost of

- A plan that allows people to accumulate assets in order to promote personal independence
- A plan that increases financial aid and logistical support for people who make an effort to become independent
- A plan that promotes employment
- A plan that ensures greater reciprocity between the state's obligations and people's personal responsibility to better themselves
- A plan that recognizes parental responsibilities in an approach more conducive to personal independence.

The 1998 reform—conveyed in the *Act respecting income support, employment assistance and social solidarity*—helped to better align passive income security measures and active employment-assistance measures. Measures should be proposed to strengthen efforts to reach the most disadvantaged and promote the transition to employment of income security recipients.

• Developing assets

For a number of years, the Employment-Assistance Program (and its predecessors) has taken a “last resort” approach to assets. The combination of pressure on public finances and an increase in clientele, which hit record levels following the recession of the early 1990s, led to a number of decisions that reinforced the tendency to force people to use their assets before resorting to social assistance, particularly when these people filed their first application for employment assistance.

More and more, it has been shown that providing income is not enough to combat poverty. People living in poverty must also be permitted to accumulate assets if they are ever to attain financial independence. Projects currently under way provide an opportunity to question our current approach to income support.

The innovative thinking of Michael Sherreden:

Assets and the road to independence

The asset development approach is rooted in the innovative thinking of Michael Sherreden, as first set forth in *Assets and the Poor*. According to Sherreden, most people can never leave the cycle of poverty for good through disposable income alone. Leaving the cycle of poverty is possible first by saving and investing in oneself, one’s children, a property, or a business. Assets have a series of effects on well-being that extend far beyond consumption—possessing assets changes the way we think and act.

Asset accumulation by the non-poor is encouraged through a series of institutional mechanisms, including tax measures. The asset development approach to combating poverty is based on the idea that collective development is impossible without savings and investment. It requires innovative means (tax deductions are useless to poor people who pay no taxes) to establish an inclusive policy in support of savings.

The concept of individual development accounts being applied in many areas is part of this approach. Investors in these accounts see their savings grow by a variable factor (1-1 to 6-1) thanks to a state contribution. These accounts are restricted to predetermined uses with an impact on development, including the purchase (or sometimes renovation) of a home, education or professional training, or small business startup.

• Workers affected by mass layoffs in resource regions

Another problem with taking assets into account and that was addressed in the recent budget statement is the situation of workers hit by mass layoffs in areas where a single business is the main employer. When their employment insurance eligibility expires, these persons—who in some cases have contributed for years to maintaining the social safety net—face the dilemma of uprooting themselves for a job or resorting to employment assistance after exhausting their savings.

In the last budget statement, the Government announced its intention to implement, within the framework of the National Strategy to Combat Poverty and Social Exclusion, a transitional income support program for workers affected by mass layoffs in resource regions.

The terms of this measure will be determined in upcoming months.

• Financial support for families

Financial aid for families includes both fiscal and direct measures involving the participation of both levels of government: family allowances, the Canada Child Tax Benefit (CCTB), tax credits, reduced contribution day-care services, and more.

The most disadvantaged families in Québec whose capacity for employment is not limited receive basic financial aid that is generally below the average for Canadian provinces, especially when the cost of living is not taken into account. This may be explained in part by Québec's decision to help families in more ways and on a more universal basis, particularly through the establishment of an unprecedented childcare aid plan and greater aid to low-income families and workers.

The proposed measures to increase employment assistance will help improve the situation of the most disadvantaged families. However, given the complexity of the family aid system and the challenges of this issue—including transfers, taxation, and the treatment of alimony, as well as the involvement of two levels of government—any overhaul of financial support to families will require intense study. The interdepartmental committee specified in the concerted plan for Québec families will facilitate this study.

PRIORITY 2

Making social housing the anchor point for integrating individuals facing difficulties

Beyond financial aid—last resort assistance, employment income supplements, aid to families—housing assistance is certainly one of the most important ways to ensure the social and economic security of Quebecers and guarantee them a decent standard of living. Housing can also be a good starting point for reaching disadvantaged individuals and supporting them in their efforts to achieve social and professional integration.

• Housing assistance—a major tool in combating poverty

Households devote a substantial portion of their basic living expenses toward housing. Persons living in poverty often spend over half their income on hous-

ing. For them, finding decent housing at a reasonable cost is especially difficult—even more so in cities with higher housing costs.

In 2001, only 1.3% of Québec's rental housing was vacant. Even lower rates prevailed in the Gatineau, Québec City, and Montréal regions. Montréal is at a record low—its rate of 0.6% is the lowest in Canada after Victoria (0.5%). This situation is worrisome, since these vacancy rates are clearly below the 3% threshold characteristic of a balanced market. In fact, most of Québec's large urban areas currently face a rental housing shortage. Yet this shortage is not specific to Québec. Comparable conditions can be found in most large Canadian cities, and conditions are often worse in many American and European cities.

For this reason, developing social housing is a key thrust in efforts to combat poverty and social exclusion in many countries. In 1997, a government action plan on housing was adopted. Among other measures, a new shelter allowance was established to cover low-income households in which at least one person was 55 or over or had dependent children, whether or not these households received employment assistance. Investment in social housing development was also renewed through AccèsLogis. More recently, the Québec government used its leadership to set the parameters of the federal framework program on affordable housing in order to align it with Québec's priorities for social development.

• Major investment in four programs

In the November 2001 budget, the Government announced investments of nearly \$500 million in housing. This effort is a major contribution to the National Strategy to Combat of Poverty and Social Exclusion. These investments are focused on four programs: the renewal and increase of the AccèsLogis program budget; implementation of the Affordable Housing Québec program; replacement of the Revitalizing Older Neighbourhoods program by the Renovation Québec program, now open to all municipalities; and lastly, the renewal of RénoVillage.

Of the 6,500 housing units to be created under the Affordable Housing Québec program, 5,000 will have a social or community bent. In all, the announced investments will allow the creation of 13,000 new housing units over the next five years, including 9,100 in the next two years, of which 7,600 will be social

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In all, the announced investments will allow the creation of 13,000 new housing units over the next five years, including 9,100 in the next two years of which 7,600 will be social housing units.

housing units. In carrying out these programs, the Government will give special attention to specifying an adaptability potential for planned housing units in order to meet the needs of tenants with disabilities and to prevent arbitrary and discriminatory standards and practices with regard to persons with disabilities and recent immigrants.

In addition, the renovation of over 27,000 housing units over the next two years is planned. Over half these units are occupied by low-income individuals, the majority of whom are living in poverty.

- **Beyond bricks and mortar: Providing services**

In Québec, social housing is attracting a growing number of disadvantaged individuals facing multiple problems, such as lack of income, isolation, loss of independence, and mental health concerns. For this reason, housing efforts under the Strategy to Combat of Poverty and Social Exclusion must go far beyond bricks and mortar to encompass empowerment and social development.

This approach to developing community services (community kitchens, homework help services, etc.) and supporting association and community life is already applied in the case of clients living in extreme poverty through the Société d'habitation du Québec (SHQ) in cooperation with municipal housing offices, local community service centres (CLSCs), the MFE, and community organizations.

Nearly half the housing units created under AccèsLogis Part III are for multi-challenged clients, including the homeless. All persons housed in units created under this part of the program receive subsidies that lower their rents to 25% of their disposal incomes. A policy aimed at creating affordable housing to prevent homelessness has also been developed, and initiatives in this area are increasingly taking an intersectoral approach. The Government's ongoing involvement in the renovation and maintenance of rooming house projects and its support for both private and non-profit resource centres providing aid to the homeless is contributing to the achievement of the objectives of this policy. Lastly, the Residential Adaptation Assistance Program (RAAP) reimburses expenses incurred in adapting residences occupied by individuals with functional limitations.

The development of community support and the intersectoral approach through housing are key aspects of the National Strategy to Combat of Poverty and Social Exclusion in the area of housing. Indeed, housing should be favoured as a way to effectively tackle the problem of homelessness, the most visible aspect of extreme poverty.

In addition, many experiments here and elsewhere show that developing services and tools for social and professional integration in conjunction with housing is a very promising approach for groups more susceptible to persistent poverty, including young people with social adaptation difficulties, young single mothers, individuals with disabilities, and especially those suffering from mental health problems.

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Rebuilding a community from the inside out: Sandtown-Winchester, Baltimore

In 1990, the Sandtown-Winchester neighbourhood near downtown Baltimore began a significant redevelopment and revitalization project. This neighbourhood's population had declined from 60,000 to 10,000 households and had undergone a major transformation in its social structure, going from a population of workers to a population composed almost entirely of social assistance recipients. In addition, the neighbourhood's housing units were completely dilapidated, and the environment was affected by the presence of vacant lots and barricaded houses. The municipal authorities, in close cooperation with residents and the Enterprise foundation, established Community Building in Partnership (CBP), an organization aimed at rebuilding the community by simultaneously addressing all its components: lodging and land planning, of course, as well as education, employment, social services, health, safety, and economic development.

Working committees involving residents and community leaders were formed in order to take action in the eight sectors considered as community priorities: affordable housing, public schools, health care—including the treatment of drug addicts—social services, the development of a sense of community,

Housing efforts must go far beyond bricks and mortar to encompass empowerment and social development.

employment assistance, housing beautification, and public safety.

Concrete results have already been achieved, including a decrease in crime, increased school and employment success, a greater supply of housing, better access to social and health services, and the rebirth of retail trade.

• Developing social integration through housing

Social housing is the starting point for reaching individuals facing difficulties with social integration. This approach is based on the contribution of many partners working in diverse sectors. A number of promising projects have already been completed in Québec.

Bon voisinage at Place Normandie in Montréal-Nord is one of these. It is a pilot project resulting from an observed decline in the physical structure and residential fabric of this housing development.

Initially, this project was based on two key initiatives. The first was the on-site presence of a community worker responsible for triggering the “mending” of the social fabric and rekindling community life through a highly varied set of activities (coffee meetings; educational, entertainment, and sporting programs; etc.) targeting a number of groups, including women, children, and teenagers. The second involved redevelopment efforts, as there were no play areas until then (skating rinks, tot lots, etc.). After two years, the project managers reported positive results on a number of points, including the rebirth of the tenants’ association and a decrease in theft and vandalism.

Apart from the Bon voisinage project, the Mères avec pouvoir project and youth projects organized by the Centre Jacques-Cartier in Québec City and the Auberge communautaire du Sud-Ouest in Montréal are making similar efforts aimed at reintegrating individuals facing difficulties.

This approach aimed at both the physical and social revitalization of neighbourhoods facing difficulties is a trend observed in a number of countries (Great Britain, Portugal, France, the United States, etc.). In

Québec, the approach favoured by the Collectif en aménagement urbain in the Hochelaga-Maisonneuve neighbourhood follows this integrated vision of local development, which also inspired the new framework program *Renouveau urbain et villageois*.

According to the Observatoire montréalais des inégalités sociales et de la santé (OMISS), a certain number of experiments show the need to improve the continuity of housing assistance measures and social housing measures in general. A study conducted by UQAM’s Laboratoire de recherches sur les pratiques et les politiques sociales measures the impact of social housing when combined with community support and illustrates its positive effects on quality of life and the reintegration of individuals.

For certain groups facing even greater difficulties, such as individuals with mental health problems, specialists consider housing fundamental to keeping them in their natural environment. Providing adapted, flexible services is an even greater necessity. Housing is not only what anchors these individuals in society, but also the first step toward true social integration, as well as a key factor in the maintenance of their treatment.

Third Orientation Promoting job access and employment

In its document *Don’t Leave Anyone Out!*, the Government affirmed its conviction that creating and distributing wealth and developing employment are the number-one tools in the fight against poverty. This conviction is based on the need to successfully align economic and social development. A prosperous economy with job opportunities, healthy resource regions, and rural communities that receive support in realizing their full potential are prerequisites to combating poverty through development.

The social dialogue initiated in recent months with various segments of society has helped to better define the priority given to employment. Employment must be favoured whenever possible. In our societies, it remains the best way to ensure a person’s independence and contribution to community life.

Creating employment opportunities to combat poverty and promote inclusion requires the coordination

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of all active employment assistance measures. Coordinating these measures involves

- Developing through training the ability of individuals to find and retain quality employment
- Supporting communities in their employment development efforts
- Promoting the integration of individuals who are more isolated from the labour market and require assistance before seeking employment
- Recognizing the special needs of certain groups, including women, and adjusting the services provided so as to meet their needs
- Increasing the ability of the workplace to accommodate groups facing obstacles to integration (young men and women without work experience, members of visible minorities and recent immigrants, ex-convicts, persons with disabilities, etc.)
- Supporting workplace adaptation to the special needs of certain groups, such as persons with disabilities.

Although coordinating active employment assistance measures is vital to combating poverty and social exclusion, the participation of partners in the labour market is also necessary. For employment development to be a true priority, employers must consider job retention in their development strategies.

In addition, employers must cooperate with employee associations in order to

- Facilitate the acquisition of employment experience for groups at risk of exclusion
- Shoulder their responsibilities in adapting the workplace to promote the integration of persons with disabilities
- Facilitate within the company the francization of recent immigrants and the integration of visible minorities, particularly by increasing the ability to accommodate and retain these individuals through measures that promote adaptation to cultural diversity
- Take family responsibilities into account by introducing measures to reconcile work and family.

The social economy must also be involved and encouraged both for the services it develops to meet the

needs of people living in poverty and for the employment opportunities it can provide individuals who are more isolated from the labour market.

The social economy³⁴

Social economy enterprises— of which the Government intends to support the emergence, consolidation, and development—are the result of community-based initiatives. Involved in trade, entrepreneurial in nature, and serving a social purpose, these enterprises have the following characteristics:

- Their primary purpose is to produce goods and services that meet individual and collective economic and social needs.
- Focused on people, their principles and rules of operation are based on
 - A regulatory framework ensuring democratic management
 - Activities that encourage member or client participation and promote individual and collective empowerment
 - The primacy of people and labour over capital, particularly through surplus and income distribution
 - The collective ownership of capital and means of production.
- Their contribution can be measured by their impact on local and community development, particularly in creating sustainable employment, increasing the availability of new services, improving quality of life, etc.
- They are either independent, private enterprises with the status of an NPO or cooperative, or independent projects borne by other players in the social economy, namely community organizations and integration enterprises. In both cases, they are run according to an entrepreneurial philosophy.

For employment development to be a true priority, employers must consider job retention in their development strategies.

34 The general definition of a social economy enterprise was adopted by the Comité ministériel du développement social in February 2001. This general definition was developed by the Comité national d'orientation en économie sociale.

Recognize the need to better adapt employment-assistance measures and services to the needs of groups more directly affected by poverty and to increase investments in this area.

- Their economic viability is based primarily on the independent income they draw from trading activities with private or public consumers. Ad hoc or regular state involvement may be necessary, since these enterprises—although active in the trade sector of the economy—are involved in activities that are economically less profitable or characterized by a limited or insufficient market.

Recognizing and relying on the key contribution of community organizations in this area of labour and employment is another prerequisite to helping persons living in poverty attain employment. Increased complementarity between these organizations and public employment services must be promoted, especially that which benefits groups at risk requiring more intensive and integrated assistance in surmounting their obstacles to integration.

In the case of high-poverty areas, analysis has confirmed the importance of a development approach focused on community responsibility and the integration of social and economic development. This approach, which underlies the Policy on the Support of Local and Regional Development and the Québec Rural Policy, must guide any actions proposed in conjunction with these policies aimed at putting employment development at the heart of actions to combat poverty in these areas.

While employment is the primary road to independence in our society and, whenever possible, the best way to combat poverty, we must not forget that some of our fellow citizens—due to various types of limitations—cannot take this road. We must ensure that despite the adversity they face, these people are not treated as second class citizens. Instead, we must offer concrete ways for them to find fulfillment by contributing to society to the extent they are able.

Making employment a priority also means improving the quality of the jobs available so that workers have not only enough income to live decently, but also working conditions that protect them from exclusion and help them better reconcile work and family. This goal is in keeping with the commitments of the Québec Youth Policy and part and parcel of any coherent strategy to combat poverty and social exclusion.

Promoting job access and employment requires action on three priority fronts:

- Stepping up employment assistance to make employment the preferred solution whenever possible
- Encouraging the social integration of individuals unable to work
- Improving job quality.

PRIORITY 1 **Stepping up employment assistance to make employment the preferred solution whenever possible**

Observations by the interdepartmental working groups established under the National Strategy to Combat Poverty and Social Exclusion have shown that employment-assistance measures and services must be better adapted to the needs of groups more directly affected by poverty, and that investments in this area must be increased. Already, in its *Stratégie d'intervention à l'égard de la main-d'œuvre féminine*, Emploi-Québec made a commitment to systematize its approaches and adapt its services to optimize the use of its resources by female Quebecers of all ages and all walks of life. These observations also highlighted the need to increase public investment in an active job market policy.

• Inject additional resources into to the Labour Market Development Fund

Not only must Québec's direct investments be increased, but additional investments must be obtained from the federal government's Employment Insurance Account, and the federal government must be made to broaden its use of these funds in response to the issues of the long-term unemployed, who generate a large portion of the economic and social costs of poverty.

First it should be noted that since Emploi-Québec was established and the *Act respecting income support, employment assistance and social solidarity* was passed, there has been a constant concern to do a better job of aligning passive income support measures with active employment-assistance measures. Similarly, the possibility of long-term unemployment

and, consequently, that of entering or remaining in long-term poverty has been the main priority for employment-assistance services.

With fewer, but relatively more needy clients now using employment assistance, actions and measures for a clientele facing greater difficulty with workforce integration remain the key to developing Emploi-Québec's set of tools and services. As employment progress has been made, the number of clients receiving employment insurance has diminished. In addition, due to changes in the Employment Insurance Act, fewer and fewer of those who lose their jobs qualify for employment insurance. One out of every two people no longer qualifies. This has significant consequences for Québec. Funds from the Employment Insurance Account cannot be used for active labour measures for long-term unemployed persons who do not qualify for employment insurance. Yet the most pressing need of an active labour market policy is to combat long-term unemployment. For this reason, in order to prevent the perpetual exclusion of part of the workforce, Québec has led the provinces in demanding the broader use of federal Employment Insurance Plan funds.

To better serve clients—especially those at risk of poverty and exclusion and who face significant obstacles to socioprofessional integration—we must find ways not only to broaden the use of the resources available through the Labour Market Development Fund (FDMT), but also to increase these resources. According to section 78 of the *Employment Insurance Act*, up to 0.8% of overall insurable earnings can be made available to provinces from the Employment Insurance Account. If the Government of Canada increased the funds allocated to labour market agreements to the maximum specified by its own law, nearly \$200 million could be added to the FDMT.

This is another example of the current fiscal imbalance, in which the federal government uses big surpluses in the Employment Insurance Account to finance its deficit, while Québec and the other provinces must invest more in the long-term unemployed. There is already a consensus among the provinces that the contribution from the Employment Insurance Account must be increased to the maximum allowable amount.

• Support local development initiatives and groups at risk of persistent poverty

Injecting additional funds into the FDMT would make it possible to increase the contribution of active measures to combating poverty and social exclusion. This would allow more resources to be devoted to high-poverty areas and groups more affected by persistent poverty.

In addition, the Coordination for Employment measure could be used more to support the coordination of local partners in the area employment development as part of efforts to combat poverty and social exclusion.

The heads of single parent families and single persons aged 45–59 are two of the groups at the greatest risk of persistent poverty. Therefore, innovative approaches must be developed to promote the integration of members of these groups into the workforce.

Following pilot project experiments for elderly workers conducted in cooperation with Human Resources Development Canada (HRDC), Emploi-Québec developed a national labour strategy for workers 45 and over. The aim of this strategy is to provide active measures that are better adapted to the needs of these workers and possibly pair them with income support measures.

Lastly, the heads of single parent families must have better access to active employment assistance measures to help them find paid employment. As such, actions aimed at facilitating access to the fields of science and technology—as specified by the *Stratégie d'intervention à l'égard de la main d'œuvre féminine*—must be stepped up, and the use of innovative employment assistance approaches for young single mothers must be broadened. Without this aid, young mothers—very often undereducated due to early pregnancies—are at risk of long-term poverty. Their children face a similar risk. This justifies significant investment to develop and provide access to the global intervention models required for the success of sustainable integration approaches. In the most recent Speech from the Throne, the federal government announced plans to support the provinces in testing such approaches. Discussions with Québec on injecting additional funding into the FDMT are a good opportunity for moving from words to action.

• Individuals with significant limitations

Whether for persons with disabilities or those with multiple personal limitations that exclude them from the labour market, implementing an overall strategy to combat poverty must be an opportunity to develop services for individuals who, while living with significant limitations, can hold down a job with the appropriate aid.

Within the framework of the National Strategy to Combat Poverty and Social Exclusion, in order to provide aid adapted to the needs of individuals with significant limitations, it is necessary to

- Facilitate their access to integration enterprises—a unique, proven concept especially suited to persons very isolated from the labour market
- Develop the Employment Integration Contract (CIT) program, an effective way to help individuals with disabilities integrate into the regular job market
- Put more stock in innovative approaches, such as the concept of “solidarity” jobs.

“Solidarity” jobs—the COMSEP project

A transition path for individuals with a social disability

For over 13 years, the Centre d’organisation mauricien de services et d’éducation populaire (COMSEP) has been working with people with limited education or reading skills to improve their general living conditions by giving them the opportunity to participate in various educational and popular literacy activities, as well as “social involvement” activities. This organization has developed several ways for participants to enter the job market according to their abilities, creating a network of very small businesses to achieve its means. In October 1998, a feasibility study of a transition path for persons with a social disability was conducted with the assistance

of the Fonds d’aide à l’innovation et à l’expérimentation (FAIE). In March 2000, Emploi-Québec lent its support to initial experimentation with the solidarity job project.

The experiment was conducted with a group of 20 people participating in a social integration program that lasted two years for study purposes. Each person took part in an experiment on social integration through work in social economy enterprises and agreed to participate in an action research project to evaluate the experience. The participants suffered from a significantly limited capacity for employment, but which was not recognized as severely limited for the purposes of income security. These individuals faced a set of social disabilities that limited their ability to find permanent employment.

• The situation of recent immigrants and visible minorities

In recent years, Québec has welcomed a growing number of immigrants. These new Quebecers come from highly diverse social, economic, and cultural backgrounds. Those in the independent worker category are selected for their excellent potential or professional profile. Others are admitted for humanitarian reasons, notably refugees, who may be selected overseas or obtain their refugee status in Québec. Still others are accepted under the family reunification program.

Whatever the reasons for their selection or admission or how great their potential, all newcomers face a period of adaptation during which they must often accept work they are overqualified for and strive to overcome barriers to employment. However, various studies show the economic situation improves for most immigrants after a certain time.

This said, certain newcomers are less successful in their efforts to enter the labour market due to the disadvantages they face upon their arrival in Québec. These disadvantages may be attributable to a variety of factors:

- Insufficient knowledge of French, Québec's cultural codes, and the workings of the labour market
- Difficulties in having training and experience recognized by employers and regulatory bodies, a situation that can seriously limit immigrants' ability to quickly find a job, especially a job in keeping with their qualifications
- Lastly, problems with racism and discrimination, especially for members of visible minorities, whether recently arrived or born in Québec.

Given the particular difficulties that hamper the social and professional integration of recent immigrants and visible minorities, the most vulnerable people should be targeted with special measures to help them quickly and successfully enter the job market.

To do so requires the following:

- Broaden efforts to facilitate recognition of home country academic training and experience—particularly for immigrants who practised a profession regulated in Québec by professional corporations—and facilitate access to the training and skills upgrading required to meet professional corporation criteria and practice in the Québec context
- Promote workplace immersion sessions offering a first opportunity to acquire North American work experience
- Implement a series of measures to promote the adaptation of the labour market to cultural diversity and facilitate the acceptance of diversity, which benefits all of Québec.

• Access to services for individuals who receive no government income support

Individuals who receive no government income support do not all face the same difficulties. Some of them, including undereducated youth ineligible for employment assistance due to parental contributions and workers with unstable jobs, may face serious barriers to employment and lack the financial resources

to reduce or eliminate job instability or the risk of marginalization. These groups are therefore at risk of greater poverty.

Although the Emploi-Québec mission encompasses such individuals, agency action is limited by the fact that the Labour Market Development Fund primarily assists employment-assistance and employment insurance recipients.

It is therefore necessary to

- Provide workers in unstable employment with improved access to skills training that allows them to find better jobs offering more security, thereby reducing their risk of falling into poverty
- Facilitate participation in active employment measures by providing financial support to undereducated youth without ready access to the labour market who do not receive employment assistance, have no work experience qualifying them for employment insurance measures, and are at risk of persistent poverty.

The role of the social economy

The social economy sector can both create jobs and develop services that help combat poverty and social exclusion. As part of the National Strategy to Combat Poverty and Social Exclusion, various subsectors offer potential for development:

- Social tourism, a family vacation formula that provides disadvantaged families with an opportunity to spend time in the regions
- Regional community media, which can help promote local development by strengthening the sense of community belonging
- Household services, for which demand is growing all across Québec
- The environment, including recycling and thrift shops (ressourceries) that provide social and job integration opportunities for people with few skills while at the same time promoting sustainable community development.

A number of observers in the local development field believe that the creation of a social economy enterprise is an effective way to foster local community development.

A number of observers in the local development field also believe that the creation of a social economy enterprise is an effective way to foster local community development. Every new social economy enterprise is a community victory over unemployment and social exclusion. Every such enterprise contributes to improving the quality of community life by hiring individuals excluded from the labour market and, often, by offering local services that were in demand, but were previously unavailable. Recent Québec budgets have contained measures for the resource regions that could contribute more to the development of social economy initiatives if management rules were better adapted to project funding requirements.

PRIORITY 2 **Encouraging the social integration of individuals unable to work**

At present, Québec has few measures or programs for the social integration of those unable to work. For them, social integration includes being able to exercise their rights. Yet for these individuals, exercising rights is difficult given the complexity of administrative procedures, the forms to fill out, the files to prepare, inconsistent access to resources, etc. Access to some form of citizenship training thus appears essential if we are to prevent exclusion, as is access to culture and recreation.

Among the existing resources is the Social Integration Services program offered by school boards across Québec to individuals with psychological, intellectual, social, or physical adjustment difficulties. The program provides individualized learning of the basic skills required to perform social activities and roles and, as the case may be, pursue an education.

In addition, employment-assistance recipients with psychosocial problems may on occasion be referred, on a voluntary basis, to specialists at their local CLSCs. Although appropriate services are not always available, pilot projects underway with CLEs and CLSCs appear very promising.

Collectif SOS Entraide

Collectif SOS Entraide is a French initiative to provide a comprehensive and coordinated response to social integration problems. Set up to harmonize the efforts of local charitable organizations in the town of Alès in meeting urgent social needs (food and clothing banks, social assistance, etc.), the collective has developed a comprehensive and unified approach. Responses to problems are now developed through consultation, which makes it possible to optimize the availability of resources.

• Actions to foster social integration

Implementation of the National Strategy to Combat Poverty and Social Exclusion must serve as an opportunity to improve the coordination and development of initiatives to foster the social integration of individuals unable to work.

Due to a combination of limitations related to age, prolonged absence from the job market, limited work experience, inadequate or outdated training, as well as health problems or handicaps, certain individuals are unlikely to find or keep a job, despite the availability of adapted services and employment opportunities. Lack of access to employment cuts these individuals off from important interpersonal contacts. It is therefore important to provide individuals who seek to develop their social capital with ways to break out of their isolation and have access to psychosocial coaching when required.

As part of the strategy, the Government would like to ensure that these individuals have access to services that enable them to progress, or at least actively participate in society according to their abilities, even if they are unable to return to work.

Responsibility for these initiatives lies with the income security network, in cooperation with the MSSS network and community organizations. The task is an extension of the income security mission, which is to

Social integration includes being able to exercise one's rights.

help prevent or resolve individual and social problems through active partnership. Such initiatives will enhance the continuity and complementarity of network actions, given that income security agents are often the first to deal with this specific clientele.

PRIORITY 3 **Improving job quality**

The free market, if not tempered by social considerations, can engender disparities and the seeds of marginalization that undermine living conditions for society's most vulnerable. The Government must take on a leadership role to ensure that economic logic takes social considerations into account. This is what justifies the Government's role in the area of working conditions.

- **A regular minimum wage review mechanism**

Use of employment income supplements is based on the belief that, in the context of hemispheric economic integration, wage gains for low income workers cannot be ensured solely by increases in the minimum wage.

However, periodic increases in the minimum wage, linked to rises in average wages, must be part of a general strategy to combat poverty.

There is no question that the minimum wage contributes to the redistribution of wealth. Recent studies³⁵ reveal that one-third of the increase in the wage gap in the United States is due to the erosion of the minimum wage. The impact of the trend appears to be even greater for women. In Québec, twice as many women as men work for minimum wage.

The minimum wage in Québec: evolution and comparisons

The minimum wage, which is set by government regulation, has been changed 35 times since the early 1970s, when it was \$1.35 an hour. Today, it stands at \$7 an hour. Until 1981, high inflation made it necessary to review the minimum wage twice yearly. It was subsequently frozen between 1981 and 1986, after which it was raised every year until 1998, and most recently in February 2001.

As of April 1, 2002, Québec had the third-highest minimum wage among provinces and territories, behind British Columbia (\$8) and Yukon (\$7.20). Newfoundland was lowest, at \$5.50 an hour. In the United States, the federal minimum wage is \$5.15. Eleven states have set a higher wage, six of which are in the Northeast, near Québec. If we take into account the exchange rate and the difference in relative purchasing power in Canada and the United States, minimum wages in the most American states near Québec are higher, comparatively speaking, than \$7 an hour.

The minimum wage is almost as important for low income families as government transfers. Three-quarters of government transfers are intended for these families, whereas two out of three minimum wage earners also belong to the same clientele. According to OECD studies, minimum wage adjustments can be an effective instrument in the fight against poverty as long as they are combined with other programs, such as employment income supplements³⁶.

The recent decision to raise the minimum wage in two installments (20 cents an hour in October 2002 and 10 cents an hour in February 2003), as well as the plan to establish a regular minimum wage review mechanism to link increases with general salary trends, will help meet the objectives of the National Strategy to Combat Poverty and Social Exclusion.

- **Social security for workers in non-traditional employment**

Approximately one-quarter of workers have unstable employment. Half of them work part time, the other half are in non-traditional work situations (self-employed, on call, telework, etc.). Most have no protection or benefits (employment standards, group insurance, pension plan), which leaves them at greater risk of losing their source of income and falling into poverty.

More often than not, people in this group are young and/or women. We must explore possible avenues for providing them with social security measures that will allow them to move forward from a work and family

35 In Québec, the work of Nicole Fortin and Thomas Lemieux, and in the United States, studies by Card, Krueger, Mishell, Bernstein, and Schmitt.

36 OECD, *Employment Outlook*, June 1998.

perspective. Although independence and versatility are assets in the new economy, it is unacceptable that they lead to permanent insecurity.

Social security for workers in non-traditional employment: the case of Austria

A number of European countries have taken steps to improve social security measures for people in non-traditional employment, including Austria, Germany, and Sweden. In Austria, anyone active on the labour market, whether as a full-time or part-time wage earner or in a self-employed capacity, must be given the opportunity to join a social security plan under favourable conditions. Employers are required to contribute to a health insurance and pension plan for part-time employees, who may also contribute to a complementary insurance plan on a voluntary basis³⁷.

• Reconciling work and family

Reconciling work and family is already an issue for over half of wage earners, a proportion that will increase as a result of current demographic trends and social changes. Despite the declining birth rate, the number of single parent families is rising, and a growing number of families will be caring for elderly relatives. While this issue is a concern for all of society, it takes on special importance for low income families.

We know that a high proportion of families living in poverty are single parent families, the majority of which are led by women. Without energetic efforts to introduce labour market measures designed to help reconcile job and family responsibilities, many of these single parent families will be unable to break the cycle of poverty and exclusion.

The *Act respecting labour standards* has been amended three times since 1990 to introduce provisions intended to reconcile work and family:

- 18 weeks of unpaid maternity leave
- Up to 52 weeks of unpaid parental leave

- The right to take up to five days off without pay to take care of unexpected obligations related to a minor child
- The right to a third week of unpaid vacation after two years of continuous service with the same employer.

Steps to improve minimum labour standards are important because they guarantee minimum working conditions to low income earners who do not benefit from the protection of a collective agreement.

In addition to normative measures to reconcile work and family, it is through initiatives to change workplace organization and enhance employer awareness of the need to help parents balance career and family obligations that we can move forward toward a society where parenting is truly taken into account on the labour market.

Fourth Orientation Mobilizing society as a whole

The preceding orientations set guidelines for action under the National Strategy to Combat Poverty and Social Exclusion. Now we need to look at how the strategy should be deployed. To collectively achieve the goals that have been set, all of Québec society must mobilize.

The vast majority of Quebecers share a desire to curb the causes of poverty, reduce disparities, and encourage inclusion. In a Québec survey on poverty conducted in fall 2001, more than nine out of ten people from the representative sample of 856 respondents affirmed that protection against poverty is a right, and over two-thirds believe that the Government should do more to fight poverty³⁸.

The National Strategy to Combat Poverty and Social Exclusion must recommend ways to encourage all Quebecers to get involved in this effort, which is essential to Québec's development. It must mobilize all stakeholders, including families; individuals; cities and towns; regional county municipalities; local and regional coordinating bodies; private, public and social economy enterprises; unions; and community associations and groups. Every segment of society must share a commitment to this shared task, and the government must take innovative steps to mobilize society in support of the disadvantaged.

Reconciling work and family is already an issue for over half of wage earners, a proportion that will increase as a result of current demographic trends and social changes.

37 European Union, *Joint Report on Social Inclusion*, December 2001.

38 Richard Nadeau, *Faits saillants d'une enquête sur l'opinion des Québécois sur la pauvreté*, December 2001 (survey conducted as part of preparatory work on the Strategy to Combat Poverty and Social Exclusion, under the direction of Camil Bouchard and Marie-France Raynault).

Four priorities have been identified to encourage this mobilization:

- Encourage public involvement
- Support local and regional initiatives
- Recognize and reward socially responsible enterprises
- Strengthen the role of community organizations.

PRIORITY 1 **Encouraging public involvement**

The people immediately concerned by poverty—i.e., those who experience it directly and those who represent them—must find a place in the mechanisms that will be established to develop, implement, and assess the measures and actions chosen under the strategy.

This vision coincides with one of the main thrusts of the government's policy *Bringing Youth Into Québec's Mainstream*, which is intended to create conditions that encourage Québec young people to participate as full citizens. It also ties in with *Community Action: A Crucial Contribution to the Exercise of Citizenship and Social Development in Québec*, the government policy that recognizes the important role of community action in developing full-fledged citizenship.

Citizen initiatives have made a major contribution to putting the poverty issue on the government agenda. Organizations for the defence of the rights of people living in poverty have played a major role. One of the most progressive aspects of the government's community action policy is a provision to set aside special funding for organizations involved in the collective defence of rights. In fact, the Community Action Support Fund, which is administered by the Secrétariat à l'action communautaire autonome du Québec (SACA), will be refocused toward organizations that fall in this category to ensure an arms-length relationship with the government departments and agencies they deal with. Public involvement must be facilitated, supported, and encouraged in all spheres of the fight against poverty.

Combating poverty also means stepping up financial support for organizations like Centraide, which help support and develop efforts on behalf of the disadvantaged. Volunteerism by Quebecers, for whom the

fight against poverty is important, must also be encouraged. This is one of the objectives contained in the *National Declaration on Volunteerism* adopted by the Government in November 2001, which includes a commitment to "call on all members of the nation of Québec to support volunteerism."

PRIORITY 2 **Supporting local and regional initiatives**

It is well known that poverty tends to be concentrated in certain areas. To reduce it requires targeted action. Québec long ago made the decision to focus on communities and their ability to take charge of their own destiny.

In order to allow local communities and regions to take their development in hand and adapt public policies and programs to local needs, the Government has adopted the Local and Regional Development Support Policy. It provides for enhanced interdepartmental coordination through regional administrative conferences (CARs). By confirming the role of regional development councils (CRDs) as key stakeholders in the regions, the policy gives the regions a crucial role in consulting, coordinating, and drawing up strategies for development.

As the Chantier sur l'économie sociale made clear, "the answers often lie in local initiatives that respond directly to the needs and realities of the marginalized. Increasingly, the process of inclusion is centred around local communities, where the feelings of identification and belonging are most easily fostered³⁹."

Already, the issue of poverty has taken on growing importance in regional strategic planning, and a number of regions have signed special agreements on social development and the fight against poverty. This trend toward greater synergy between economic and social development triggered by the social development forums must be accentuated. The travelling forum on regional poverty issues revealed the importance that local communities and the regions place on flexible initiatives that are linked to their particular needs. It also found that their main expectation was that the Government support local and regional initiatives, both financially and by facilitating intersectoral action, so that public sector agencies could work

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Citizen initiatives have made a major contribution to putting the poverty issue on the government agenda.

Regions and local communities primarily expect the Government to support local and regional initiatives, both financially and by facilitating intersectoral action, so that public sector agencies could work more closely with local interests and have the flexibility necessary to promote continuity of action.

39 Chantier de l'économie sociale, *De nouveau, nous osons: Document de positionnement stratégique*, 2001.

more closely with local interests and have the flexibility necessary to promote continuity of action.

Municipal mergers and the role of the regional county municipalities in implementing the recent Rural Policy make Québec's new large cities and the RCMs important players in the National Strategy to Combat Poverty and Social Exclusion, which seeks to make local government a focal point for action. Their role is even more important when it comes to taking leadership in areas with high concentrations of poverty or where special measures are required.

PRIORITY 3 **Recognizing and rewarding socially responsible enterprises**

In assuming its leadership in the area of social development and the fight against poverty, the Québec government must also work with labour market partners. The partnership approach, which emerged from the determination manifested by all leaders of Québec society, notably at the 1996 Social and Economic Summit, led to the emergence of new forms of solidarity, notably with the creation of the Fund to Combat Poverty Through Reintegration into the Labour Market and the broad-based support for the social economy sector.

This new wave of solidarity continued through the Québec Youth Summit, with the creation of the Québec Youth Fund, a \$240 million fund financed in equal measure by the Government and the private sector.

Companies have a social responsibility that they are increasingly coming to recognize by

- Getting involved in integration and training of the disadvantaged and the excluded
- Sponsoring initiatives to improve living conditions for the most disadvantaged
- Encouraging volunteerism on the part of their employees
- Implementing in-house measures to help reconcile family and work
- Facilitating employee access to the basic training they need to develop to their full potential.

Citizens, whether in their capacity as consumers or workers, can encourage corporate social responsibility through the choices they make. This responsibility must begin with the corporate commitment to sustaining and developing jobs and the way companies treat their own employees. Then it must be extended to the integration of disadvantaged groups and other poverty-fighting initiatives in the communities where companies operate. Corporate social responsibility must also be more widely developed and recognized.

Jeune Chambre de Commerce de Montréal recognizes corporate social responsibility

In 1997, the Jeune Chambre de Commerce de Montréal drew up a charter to encourage corporate social responsibility. To promote business use of the charter, the organization created a corporate social responsibility recognition program. Working with its partner, Réno-Dépôt, it invited companies to submit their social responsibility reports in exchange for a certificate of recognition. So far, over 25 companies have responded.

The Social Responsibility Charter drafted by the Chamber emphasizes goals like maximizing employee potential, recognizing the person behind the machine, encouraging employee social involvement, practising good business ethics, taking the social repercussions of business activities into account, and promoting social and community development.

PRIORITY 4 **Strengthening the role of community organizations**

To fight poverty and encourage full-fledged, active citizenship for all, the Government relies extensively on community organizations. Their ability to respond quickly and appropriately to a wide variety of individual needs, to deal with complex personal and social problems, and to develop empathetic relations with the people who make use of their services has earned them an important place among our collective resources.

The Québec government must also work with labour market partners. The partnership approach, which emerged from the determination manifested by all leaders of Québec society, notably at the 1996 Social and Economic Summit, led to the emergence of new forms of solidarity,

Corporate social responsibility must begin with the commitment to sustaining and developing jobs and the way companies treat their own employees. Then it must be extended to the integration of disadvantaged groups and other poverty-fighting initiatives in the communities where companies operate.]

Community-based actions to relieve poverty and encourage the social participation of people living in poverty are widely recognized.

Their front-line contributions to poverty relief and the social participation of people living in poverty are widely recognized, as meetings held all across Québec in recent months again made clear. The Government's recent policy document entitled *Community Action: A Crucial Contribution to the Exercise of Citizenship and Social Development in Québec* confirms the key role that this sector plays.

The Government has also innovated by addressing the issue of organizational independence in the work community groups do. In the recent budget statement, an additional \$40 million over two years was announced to help implement the policy⁴⁰ by strengthening their mission and activities. This is in addition to the \$493 million already awarded to the community sector in 2000–2001.

Under the National Strategy to Combat Poverty and Social Exclusion, the Government will recommend measures that

- Give community organizations a greater role in integrated initiatives targeting the groups most affected by poverty
- Involve them fully in developing mechanisms to tackle poverty mitigation at every level—local, regional, and Québec-wide.

Fifth Orientation

Ensuring consistency and coordination of action at all levels

Striking a blow at poverty is not only a desirable goal that is necessary for Québec's sustainable progress, it is an achievable goal if we all work together. The persistence of poverty despite the massive strides Québec has made since the Quiet Revolution clearly indicates that there is no miraculous, instant solution. Reducing poverty and encouraging the inclusion of all Quebecers calls for action that is both energetic and consistent.

From the outset, a link was clearly established between the National Strategy to Combat Poverty and Social Exclusion and the main currents that have inspired and continue to guide Québec's social development. The Government also affirmed the importance of making a significant qualitative and quantitative step forward, setting forth a ten-year target to mobilize the population—transform Québec into a

society with one of the lowest rates of poverty in the world.

Attaining this objective will require new initiatives and greater synergy between existing measures to tackle the causes and consequences of poverty. It will also require the commitment of the Government and all stakeholders, notably those individuals and communities more severely affected by poverty.

The National Strategy to Combat Poverty and Social Exclusion calls upon all Quebecers to work together in solidarity to build a better Québec. During the consultations held to develop this strategy, the message was always the same: fighting poverty requires a long-term commitment, a far-reaching approach, broad involvement, and the means to assess progress and allow for any necessary adjustments.

As part of the orientation to ensure consistency and coordination of action at all levels, three priorities have been identified:

- Develop a framework for action and provide a foundation for our collective commitments
- Support innovation to help the most disadvantaged
- Assess the impact of the strategy on our relations with our neighbours and Québec's international relations.

Fighting poverty requires a long-term commitment, a far-reaching approach, broad involvement, and the means to assess progress and allow for any necessary adjustments.

PRIORITY 1

Develop a framework for action and provide a foundation for our collective commitments

Transforming Québec into a society with one of the lowest rates of poverty in the world within ten years is a challenge that will necessitate long-term action to ensure consistency and coordination. Quebecers will also have to decide together on the fundamental commitments needed to support the effort and the tools that will enable all members of society to contribute to the development, implementation, and assessment of concrete measures.

To ensure consistency and coordination, the Government has announced plans to enshrine the National Strategy to Combat Poverty and Social Exclusion in legislation. Once passed, the bill will guide the Government and society as a whole in plan-

⁴⁰ \$10 million in additional investments had already been announced, bringing the total in extra community action funding to \$50 million over two years.

ning and implementing comprehensive, integrated measures designed to combat poverty, mitigate its impact on individuals and families, and fight social exclusion by helping reduce inequalities leading to exclusion.

In addition to the strategy, the bill will establish the following:

- An advisory committee on poverty and social exclusion
- An observatory on poverty and social exclusion
- A special fund to support social inclusion initiatives.

Proposed priorities for action will be spread over time and include tools not only to measure progress and improve steps taken, but to involve concerned groups and all partners in evaluating and adapting the actions implemented. Together, these tools will provide Québec with cutting edge legislation in this area⁴¹.

The Québec government must see that policies with the potential to reduce poverty are coordinated, complementary, and coherent. This means taking steps to ensure that policies on training, regional economic development, rural affairs, housing, reduction of health and welfare inequalities, the status of women, families, youth, the elderly, etc. have a joint leverage effect that moves us forward toward a fairer, more inclusive society. It also means ensuring that the standards and guidelines for the measures and programs generated by these policies do not act as discriminatory factors that actually strengthen exclusion.

Advisory committee on poverty and social exclusion

The Minister will be supported in his or her efforts by an advisory committee on combating poverty and social exclusion set up to gain the involvement of all of society's stakeholders—and particularly people living in poverty—in the development, implementation, and assessment of measures.

This 17-member committee will include five members from organizations and groups most representative of the anti-poverty movement. The other members will

be drawn from the business, union, municipal, community, and other sectors of civil society with the aim of ensuring the best possible representation of men, women, regions, and social groups.

Observatory on poverty and social exclusion

The Observatoire de lutte contre la pauvreté et l'exclusion sociale will measure our progress so that we stay focused on our objectives and encouraging public involvement. It will monitor the progress we have made toward our goal of joining the ranks of nations with the least poverty, and track the indicators chosen to measure the attainment of the objectives set forth in each section of the National Strategy to Combat Poverty and Social Exclusion. The observatory will provide us with a trend chart of sorts on Québec's social and human development that will allow us to adjust our course of action.

In addition, it will encourage new research on the causes and consequences of poverty and social exclusion, improving our knowledge of these phenomena and of our collective ability to do something about them. This research must take a gender-differentiated approach, because poverty does not take the same form for men and women.

The observatory will be administered by a management committee made up of seven members drawn from government, the university and research community, and organizations working with people living in poverty.

A fund to support social inclusion initiatives

As indicated in the fourth orientation, a special fund will be established to help support local and regional initiatives to combat poverty and social exclusion and leverage the pooling of community resources. This fund will also support innovative projects at the Québec-wide and regional levels.

The funding formula has yet to be determined, but could be based on the model established for the Fund

41 Only France has passed a framework bill to counter exclusion.

to Combat Poverty Through Reintegration into the Labour Market, which the new fund will replace. It could also be funded through donations, bequests, and other contributions intended to help achieve fund objectives. The fund will have a three-year lifespan, which could be extended depending on the evaluation of results and the state of affairs.

Monitoring mechanisms

The bill also proposes a number of follow-up mechanisms:

- Tabling of a government action plan
- Regular reports on initiatives undertaken as part of the National Strategy and the results obtained, as well as on components of the action plan put in place or modified over the course of the next three years
- Review of some of these reports by an appropriate National Assembly committee
- For all legislative and regulatory initiatives, an assessment of their impact on men and women living in poverty and a presentation of the provisions they contain for actions specifically related to the National Strategy to Combat Poverty and Social Exclusion

Obligations under the government plan of action

Lastly, the bill will create obligations for the government:

- Submit proposals for the establishment of a solidarity income for people with severely limited capacity for employment, for full-time or regular workers, and for Employment Assistance Program participants, in a spirit of reciprocity
- Table a report on the treatment of income from children's support payments under all government programs and from a tax point of view

PRIORITY 2 Support innovation to help the most disadvantaged

While consistency must remain a theme in the fight to eliminate poverty and social exclusion, integrated and coherent action is also crucial. In the Québec-wide social dialogue launched on the suggested orientations for the fight against poverty, all stakeholders insisted on the need for a more integrated approach ensuring greater service continuity and consistency.

Each public network acts according to the logic of its own mission and programs. Although intersectoral cooperation and coordination are constantly improving, particularly at the local level, observations and feedback indicate that much remains to be done to break free from existing limits. The development of an integrated and holistic intersectoral approach that puts an end to isolated initiatives is crucial to improve the situation of those groups and areas most affected by poverty.

This double concern for consistency and coherence must be carried through into action at every level by

- Providing sustained support for innovative approaches
- Creating the flexibility required to adapt programs and services to the needs of individuals and communities
- Further developing dialogue and cooperative endeavours with stakeholders while ensuring democratic participation every step of the way.

The more integrated initiatives required to assist groups and areas with greater poverty also offer an ideal opportunity to experiment with results-based management as part of efforts to modernize the public service. In this sense, the National Strategy to Combat Poverty and Social Exclusion promotes a new freedom of action and a less normative approach that facilitates research and action on behalf of these groups and areas.

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Promote a new freedom of action and a less normative approach that facilitates research and action on behalf of those groups and areas most affected by poverty.

PRIORITY 3

Situate action in the North American and international context

Establish a dialogue with Québec's native peoples on adapting the proposed measures to the special needs of the aboriginal population.

In implementing the National Strategy to Combat Poverty and Social Exclusion, we must establish a dialogue with Québec's native peoples on adapting the proposed measures to the special needs of the aboriginal population.

The Regional Development Council of Nunavik, the Grand Council of the Crees, and the Assembly of First Nations of Quebec and Labrador have been invited to exchange views on the National Strategy to Combat Poverty and Social Exclusion. An initial meeting with representatives of the communities of Nunavik was held in January 2002 and the dialogue will continue in the wake of the strategy launch.

Speak with one voice in demanding federal government measures consistent with the orientations of the National Strategy to Combat Poverty and Social Exclusion.

Moreover, Québec must speak with one voice in demanding federal government measures consistent with the orientations of the National Strategy to Combat Poverty and Social Exclusion, with three main priorities in mind:

- Harmonization of the federal tax threshold with that of Québec
- A transfer for the implementation of the Parental Insurance Plan
- Increased investment in the Employment Insurance Account under the Canada/Québec Labour Market Agreement and a softening of rules regarding the use of the transferred funds.

Québec must actively participate in international forums that make political and economic decisions that influence our collective ability to combat poverty.

Lastly, at the international level, Québec must develop the means to draw inspiration from innovative approaches pioneered in other countries and actively participate in international forums, both those that deal with these issues and those that make political and economic decisions that influence our collective ability to combat poverty.

Conclusion

The will to act, the strength to succeed

If today's Québec is an avant-garde society characterized by economic progress, solidarity, and the achievements of Quebecers at home and worldwide, it is due in large part to the cumulative collective gains of years past. Without betraying the values that set us apart, we have thrived in a highly competitive North American environment and risen to the challenge of developing an open, international economy. We have become leaders in numerous fields due to our dynamism, but also due to the collective tools we have created to foster our development. Our successes in healthcare, social services, education, job creation, family and childcare services, culture, and other areas provide us with a solid footing on which to build our vision for a better future.

The challenge was clear from the outset: to build a more inclusive Québec, a Québec with a stronger sense of solidarity where all citizens can live with dignity and, according to their abilities, take an active role in our society and development. We set the target—progressively transform Québec over a ten-year period into one of the industrialized societies with the least poverty. And we identified the conditions for success: involve society as a whole, ensure better synergy between existing measures that put people first, and develop new measures

that enable us, as our collective wealth grows, to do more, more effectively, to help groups and areas affected by poverty.

The orientations and priorities identified in this policy statement will enable us to assemble the conditions for success. Over the upcoming months, an action plan will be released to clarify how the government plans to meet the poverty challenge. Further discussion and debate on the poverty bill will provide an opportunity to elaborate on the policy statement and anchor our course of action in a solid consensus. Fighting poverty and social exclusion must be a project that brings us together, driven by the conviction that we are acting for a better future.

With the National Strategy to Combat Poverty and Social Exclusion, hundreds of thousands of our fellow citizens will see their circumstances improve. They will be able to lead more dignified lives, have a better chance to achieve their full potential, and enjoy a greater opportunity to proudly exercise their citizenship. This represents a major step forward for all Quebecers.

Together, we can give new impetus to Québec's development, strengthening our social cohesion to ready ourselves for the challenges of the third millennium. With the will to act, we will have the strength to succeed.