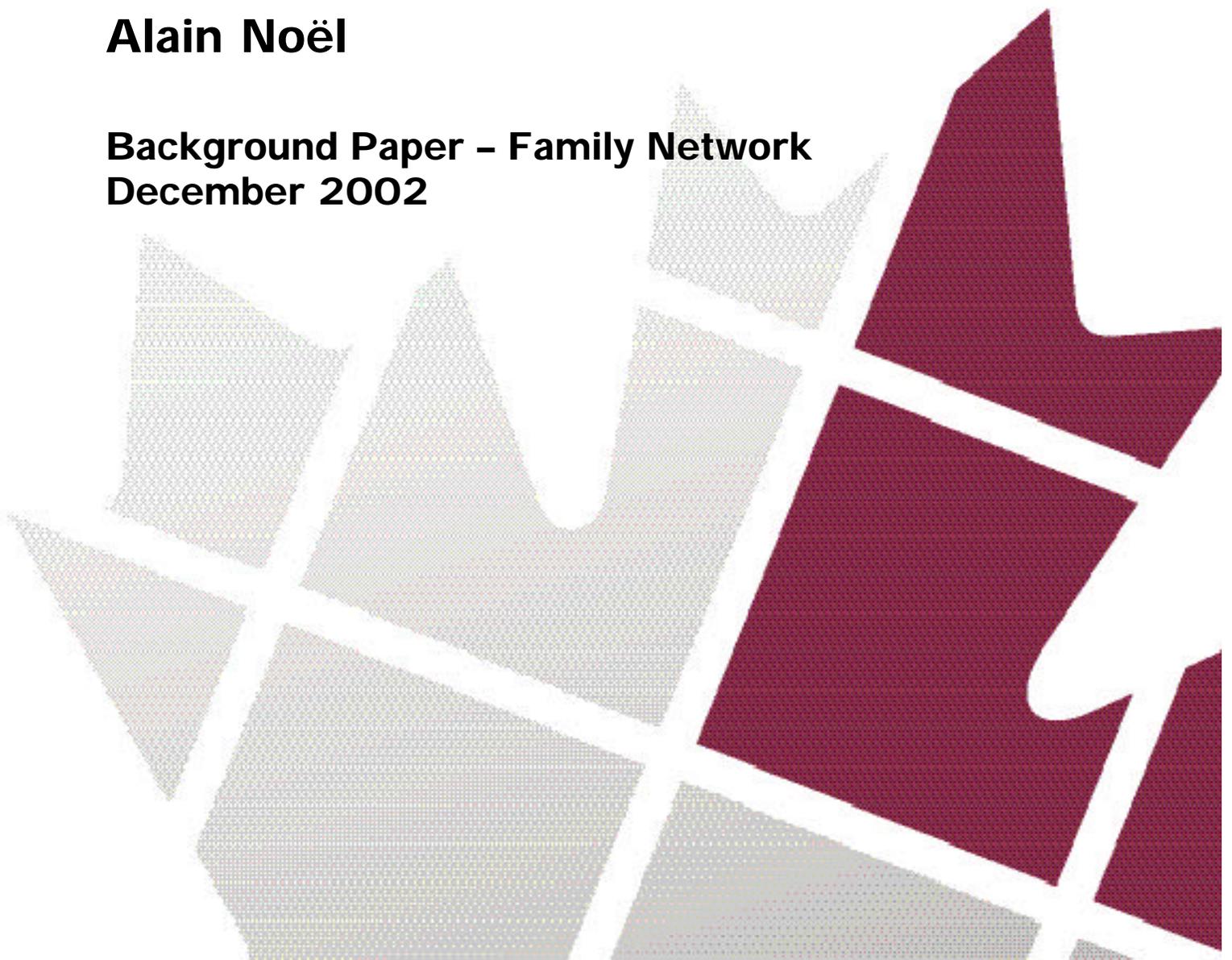


A Law Against Poverty: Quebec's New Approach to Combating Poverty and Social Exclusion

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By Alain Noël

On December 13, 2002, the National Assembly in Quebec unanimously adopted a law to “combat poverty and social exclusion.” Bill 112 is a framework law that includes a *National Strategy to Combat Poverty and Social Exclusion*, a fund to support social initiatives, an “Observatory,” and an Advisory Committee on the Prevention of Poverty and Social Exclusion.¹ This new law is unique in North America, and it constitutes a significant political innovation, if only because it makes poverty reduction an explicit and central policy priority. The bill is also the result of a remarkable process of collective action and public deliberation.

This backgrounder was written while the anti-poverty law was still before the National Assembly. It is therefore too early for a thorough evaluation of the project. The purpose of this analysis is, rather, to make this development better known in the rest of Canada and perhaps open up discussion on this approach to fighting poverty. First, the backgrounder stresses the popular origins of the project, which certainly was not born in government offices. Second, it briefly presents the social and policy context, including some indicators of poverty in Quebec. Third, the draft bill and the National Strategy of the Quebec government are summarized and discussed. Finally, the initial reactions of commentators and social actors are presented. The conclusion briefly considers the possible evolution of the strategy in the coming years, in light of the European experience with plans to reduce poverty and social exclusion. Indeed, Bill 112 moves Quebec's social policy agenda farther from that of its neighbours and closer to the preoccupations of European countries.

A Law Drafted from Below

When the Parti québécois came to power in September 1994, its social and economic objectives reflected the party's traditional social-democratic orientations. Job creation was the main objective, to be accomplished through state intervention and in collaboration with the social partners, that is, via a form of tripartism involving business, trade unions and the state. For its part, the new Liberal government in Ottawa was emphasizing even more traditional public spending on infrastructure, and encouraging provinces and municipalities to participate alongside it.

Almost immediately, Quebec community groups and social actors sought to broaden the agenda. The most spectacular initiative to make this point was the *Bread and Roses March* from Montreal to Quebec, organized in June 1995 by the Quebec Women's Federation (*Fédération des femmes du Québec*). The March responded to the infrastructure theme with its own emphasis on social

¹ The basic information on the strategy can be found on the site of the ministère de l'Emploi et de la Solidarité sociale: <http://www.mess.gouv.qc.ca/francaisministere/strategie.htm>.

infrastructure, and it underlined the importance of complementing job creation with an explicit effort to reduce poverty, the poverty of women in particular.

The call for better social infrastructure eventually led to a greater recognition of Quebec's social economy and to various measures institutionalizing this emerging sector.² The emphasis on poverty brought to the fore a preoccupation that was deeply felt in neighbourhoods and communities but that had little place on the public policy agenda. More importantly, it defined a core issue around which a broad coalition could mobilize. It thereby provided the community sector with the possibility of developing its *own* social discourse, not incompatible with, but distinct from that of the unions.

The significance of this new discourse, and its divergence from a tripartite model, became obvious in 1996. The Quebec government convened two conferences on the economy and employment, designed to build a consensus for eliminating the deficit (*Conférence sur le devenir social et économique du Québec* in March, and *Sommet sur l'économie et l'emploi* in October). For the first time, community and social groups were invited as full partners. They adopted a pragmatic, moderate stance. They argued that any call for a rapid elimination of the deficit (*déficit zéro*) must be balanced by a public commitment not to worsen the situation of the poorest fifth of the population (*appauvrissement zéro*). The government responded with a limited commitment, promising three years of funding to combat poverty, financed by a special tax on business and high-income earners (*Fonds de lutte contre la pauvreté par la réinsertion au travail*). Poverty had definitely appeared on the agenda. Moreover, a coherent and credible coalition in favour of new policies had coalesced and gained recognition by government officials.

Following the second summit, Vivian Labrie, from the *Carrefour de pastorale en monde ouvrier* (CAPMO), a Catholic community group in Quebec City, launched the idea of a framework law for the elimination of poverty. Labrie was already well-known in social policy circles, because she had been one of five experts commissioned by the Minister of Income Security to review Quebec's social assistance policies in 1995. She co-authored the majority report calling for major reforms, released in March 1996 just before the first of the two conferences.³ She also played an active role at both of them as part of the community sector coalition.

The CAPMO proposal took off. By January 1998, the idea was being promoted by a broad-based coalition, calling itself the Collective for a Law on the Elimination of Poverty (*Collectif pour une loi sur l'élimination de la pauvreté*). The ten founding organizations included CAPMO and other faith-based groups, the *Fédération des femmes du Québec*, the provincial organization of social assistance recipients (*Front commun des personnes assistées sociales du Québec*), two major union groups (the *Confédération des syndicats nationaux* [CSN] and the *Centrale de l'enseignement du Québec* [CEQ]), and anti-poverty groups. The coalition now has 22 groups or federations as members, including all the major union confederations, student associations, and

² See Eric Shragge, Peter Graefe and Jean-Marc Fontan, "The Citizenship Building Consequences of Quebec's Social Economy," in *Building Citizenship: Governance and Service Provision in Canada*, CPRN Discussion Paper No. F17, September 2001.

³ Camil Bouchard, Vivian Labrie and Alain Noël, *Chacun sa part : Rapport de trois membres du comité externe de réforme de la sécurité du revenu*, Québec, Ministère de l'Emploi et de la Solidarité, mars 1996 (http://www.mess.gouv.qc.ca/francais/sr_infonouv/pub.asp).

groups working on housing, literacy, human rights, and international development. Regional collectives have also been created all over Quebec, encompassing more than 1,500 groups from all sectors, including many municipal governments.⁴

The Collective worked on two fronts. First, it circulated a petition in favour of a law on the elimination of poverty. By the end of 2000, it had collected 215,307 signatures. Second, and more importantly, it launched an ambitious process of collective action and public deliberation. A preliminary version of a draft bill was circulated in 1998 and 1999, generating over 20,000 comments and 5,000 suggestions. These were used to produce a second version, which then became the focus for more than 200 “popular parliamentary sessions.” These meetings led to a third and final draft bill, which was ratified by an assembly of more than 2,000 persons on May 13, 2000. At each stage, the Collective worked with lawyers, so that its bill was written exactly as any draft legislation presented in the National Assembly.

Throughout the process, the Collective sought the support of politicians from all parties, with some success. On November 22, 2000, three members of the National Assembly, one from each of the parties, tabled the Collective’s petition in the National Assembly. The same day, a motion committing the government to adopt a strategy to combat poverty was introduced by a member of the opposition and adopted, after amendments.

A change in the leadership of the PQ also helped pave the way. Although he introduced important innovations, such as the 1997 family policy, Lucien Bouchard was reluctant to act directly on poverty. The Quebec government did little to respond to the World March of Women that occurred on October 14, 2000. Then, in December, Bouchard publicly expressed his doubts that a government anywhere in the world could ever adopt a law such as that developed by the Collective. In January 2001, however, Lucien Bouchard resigned. When he became Prime Minister, Bernard Landry sought to reaffirm his government’s commitment to Quebec sovereignty and to social democracy and made the fight against poverty a personal priority.

The government launched its own consultation in 2001, in conjunction with a research program to explore and document a strategy to combat poverty.⁵ About a year later, on June 12, 2002, the government presented its own assessment of the situation, along with a new legislative project, Bill 112. Before turning to this project, a few words must be said about poverty in Quebec.

An Improving But Still Difficult Situation

Every year, the National Council on Welfare, an advisory body to the Minister of Human Resources Development Canada, publishes statistics that describe Quebec as plagued by poverty. The 1999 data, made public in the summer of 2002, are typical. According to the Council, Quebec’s post-tax “poverty rate for all individuals” is the highest in the country, at 14.7% of the

⁴ The Collective has an excellent website, where most of this information can be found: <http://www.pauvrete.qc.ca>.

⁵ The different studies produced for this purpose can be found at: <http://www.omiss.ca/recherche/projet/raynault.html>.

total population, compared to 14.2% in Newfoundland and Labrador and 9.6% in Ontario.⁶ These are not appropriate indicators of poverty. Based on Statistics Canada's low income cut-offs, they do not correctly measure the cost of living in the different regions of the country and, as a result, overestimate the incidence of poverty in provinces where basic necessities, and especially housing, are cheaper.

At the request of Quebec's ministère de l'Emploi et de la Solidarité sociale, Statistics Canada recently prepared estimates of low income cut-offs (LICO) adjusted for the provincial cost-of-living and modified to correct other biases. The results are striking: the rate of poverty increases in Ontario and decreases in Quebec, so that the two provinces become basically similar with respect to the incidence of poverty. The corrected post-tax low-income rate for all individuals in 1998 becomes 11.9% for Ontario (rather than 10.1%) and 12.5% for Quebec (rather than 16.4%). The often-quoted gap between the two provinces (6.3% in 1998) is replaced by a small difference of less than 1%. For families, the corrected Quebec poverty rate is even lower than that of Ontario (8.6% compared to 8.9% in Ontario).⁷

Quebec's situation with respect to poverty thus appears at least comparable to that of Ontario and near the Canadian average, probably with some advantages that are difficult to take into account, in the provision of social services and benefits. In 2002, moreover, for the first time in recent history, the unemployment rate in Montreal dropped below that of Toronto. The poverty rate, nevertheless, as elsewhere in Canada, remains high. In some respects, the situation is probably worse. Quebec remains collectively poorer than the Canadian average and its history as a relatively poorer and less educated society has left important legacies for the older age groups and, possibly, for some in the next generations. In Montreal, for instance, life expectancy remains lower than in Toronto or Calgary, and the prevalence of cancer, heart disease, and respiratory disease is higher. Various indicators suggest, then, that the overall situation remains worrying.⁸

Poverty affects a significant and relatively stable proportion of the Quebec population. It is especially important and persistent for lone-parent families, single persons between 45 and 59, recent immigrants, persons with disabilities and Aboriginal people. For some households, even paid work does not offer an escape from low and uncertain incomes. Poverty is also concentrated in particular regions and neighbourhoods, where it has a cumulative impact on individual chances and collective outcomes. Finally, poverty is associated with a host of other social problems, and it undermines both social and economic development. Poverty, of course, is also a question of

⁶ National Council of Welfare, *Poverty Profiles 1999*, Ottawa, National Council of Welfare, July 2002 (<http://www.ncwcnbes.net/htmldocument/reportpovertypro99/Introduction.html>).

⁷ Direction de la recherche, de l'évaluation et de la statistique, *Les seuils de faible revenu « personnalisés » de Statistique Canada : fiche synthèse*, Québec, Ministère de l'Emploi et de la Solidarité sociale, February 2002 (http://www.mess.gouv.qc.ca/francais/utilitaires/statistiques/publications/fiche_synthese022002.pdf).

⁸ Direction de santé publique, *La santé urbaine, une condition nécessaire à l'essor de Montréal ; Rapport annuel 2002 sur la santé de la population*, Montréal, Régie régionale de la santé et des services sociaux de Montréal-centre, November 2002, pp. 27-28 and 37-38 (<http://www.santepub-mtl.qc.ca>). Intriguingly, Montrealers appear less likely than citizens of other Canadian cities to consider themselves in poor health or incapacitated by an illness or a chronic condition.

social justice. As such, it cannot be ignored in a prosperous society that values democracy and solidarity.

A National Imperative

Bill 112 is a framework law that establishes a policy priority and creates instruments to ensure that this priority is institutionalized. It includes, in particular, a *National Strategy to Combat Poverty and Social Exclusion*, a more detailed policy statement that clarifies the values at stake, outlines several dimensions of the issue, puts forward objectives, and identifies approaches to meet these objectives. The law itself is obviously the keystone and most innovative part of the project, because it translates a problem thus far neglected into a legislative commitment.

Bill 112 opens with a preamble that establishes core principles. First, the preamble refers explicitly to Quebec's Charter of Rights and Freedoms, and presents poverty as an obstacle to the protection of and respect for human dignity that is necessary in a society committed to rights and freedoms. Second, it states that poverty is detrimental to the economic and social development of Quebec society, and makes its reduction a "national imperative within the spirit of a universal movement which seeks to enhance the social, cultural and economic development of all human beings." Third, the preamble recognizes that "persons living in poverty and social exclusion are the first to act to improve their situation and that of their families." Finally, it affirms "the desire of Quebec society as a whole to act in a coordinated manner and pursue a course of action designed to combat poverty and social exclusion." The government and Quebec society, the law states, should seek a "Quebec without poverty."

These statements may appear general, but they constitute an important breakthrough because they link poverty to the exercise of basic rights and freedoms, they acknowledge that no solution is possible without the participation and empowerment of the persons most directly concerned, and they commit Quebec society to act against poverty. As one of the architects of the project stated, in a North American context the mere existence of such statements is already an achievement.⁹

Bill 112 also defines poverty as much more than simply a lack of income. Poverty, it states, is "the condition of a human being who is deprived of the resources, means, choices and power necessary to acquire and maintain economic self-sufficiency and participation in society."

After the preamble, the bill describes the national strategy to combat poverty and social exclusion. The overarching objective is "to progressively transform Quebec over a ten-year period into one of the industrialized societies with the least poverty, according to recognized methods of international comparison." More specific goals include protecting the dignity and improving "the economic and social situation of people living in poverty and marginalized by society," reducing "inequalities that hinder social cohesion," favouring the participation by persons living in poverty in Quebec's collective life and in the development of society, and

⁹ Camil Bouchard, "Échec à la pauvreté: Le projet de loi antipauvreté constitue-t-il un pas dans la bonne direction? Oui," *La Presse*, June 18, 2002, p. A15. A professor of psychology at the Université du Québec à Montréal, Camil Bouchard was co-director, with Marie-France Raynault, from the Université de Montréal medical school, of the research program that was commissioned to prepare the project.

taking comprehensive action to develop “a sense of social solidarity.” To achieve these goals, five specific action areas are identified:

- 1) Better measures of prevention and empowerment, to support families, promote access to education and support skill development;
- 2) A strengthened social and economic safety net, that improves incomes, work opportunities, and individual assets, and expands social housing;
- 3) Improved access to work and employment, through measures to improve labour market integration, the development of the social economy, and the creation of quality employment;
- 4) Greater opportunities for the involvement of all social actors, via measures that encourage participation, local development, socially responsible enterprises, and community actions; and
- 5) An institutional framework that generates information and improves evaluation and accountability, supports social innovation, facilitates participation, and more consistent and coherent actions at all levels.

It is not possible, in a short background, to review every aspect of this ambitious strategy. One may note, however, that the approach is innovative in at least three ways.¹⁰ First, it adopts a longitudinal perspective, and takes into account the incidence of poverty over the entire life cycle. Second, the approach is integrated and considers education, health and housing as much as employment and income. Third, the strategy focuses on participation and empowerment, and assumes progress cannot be accomplished without the involvement of persons living in poverty and of communities, and without a strong commitment of the entire society.

This longitudinal, integrated and participatory perspective helps explain, for instance, two things. These are the suggestion of a “solidarity income,” that is a basic income that would be guaranteed to all individuals and families, as well as movement away from a “last resort” (or residual) approach to social assistance in favour of an approach that would allow the maintenance and development of individual assets. An integrated perspective also includes the situation of the working poor and favours, for example, periodic adjustments of the minimum wage and better working conditions for people in non-traditional employment situations.

Incidentally, in parallel to Bill 112, the Quebec government is also undertaking a major revision of its labour standards. Draft Bill 143 updates labour standards for non-unionized workers (more than 58% of the labour force, working for 80% of the employers) and introduces measures that are without equivalent in North America. Employees, for instance, would have up to ten days of unpaid leave per year for family responsibilities (to support spouses and children, but also

¹⁰ On these three aspects, see Paul Bernard, *Une véritable perspective de développement social: Mémoire à la Commission parlementaire des affaires sociales sur le projet de loi 112*, Montréal, Centre de recherche sur les politiques et le développement social, September 2002 (<http://www.cpbs.umontreal.ca/Materielrelatifaucolloque27septembre2002.htm>).

parents, grandparents, and siblings). They will also be protected against psychological harassment, and against dubious conversions of salaried jobs into self-employed positions.¹¹

On December 12, 2002, the Quebec government also made public a full-employment strategy designed to bring the unemployment rate down from 8.6 % in 2002 to 7.5% by 2005. This strategy assumes the active participation of all social partners, and it includes new investments in education and training, measures to stimulate exports, private investments, and the development of the social economy, and additional support for scientific research and technological development.¹²

The anti-poverty strategy gives much importance to participation and empowerment. This explains the creation of a series of policy instruments meant to improve knowledge and information and to facilitate collective action and collaboration. Bill 112, for instance, commits the government to prepare more specific Action Plans that would include reform of social assistance, as well as annual reports on the progress made regarding these plans. There will also be an Advisory Committee on the prevention of poverty and social exclusion (composed of representative community members), and an “Observatory” on poverty and social exclusion, to enhance knowledge and develop, in particular, better indicators. Every three years, the Minister of Social Solidarity will prepare a report based on these indicators, to present the situation and assess the progress made against poverty. A fund to finance social initiatives will also be created. As discussed above, there is a paucity of knowledge about even the most basic dimensions of the problem. A coherent strategy is therefore not possible without institutions that will conduct research, promote evaluation, and disseminate information.

“Why Not a Law Against the Rain?”

Bill 112 did not move forward unopposed, even in Cabinet. Reportedly one young minister opposed to the idea asked: “Why not a law against the rain?” Apparently, the project went ahead because it had the strong support of the Prime Minister, Bernard Landry, and of the Deputy Prime Minister and Finance Minister, Pauline Marois. In the press, the project was also received with some skepticism, sometimes dismissed as the project of a government low in the public opinion polls and near the end of its mandate, and described as a proposal long on symbols and institutions but short on specifics and commitments.¹³ Nonetheless, in the end, all three parties in the National Assembly – the Parti québécois, the Liberal Party of Quebec, and Action démocratique du Québec – approved the law.¹⁴

In Quebec society, the bill received careful scrutiny. The Social Affairs Commission of the National Assembly held its most important public hearings in recent years. For more than six

¹¹ See Josée Boileau, “Ouverture de la commission parlementaire sur la réforme des normes du travail: Jean Rochon attend les patrons de pied ferme,” *Le Devoir*, December 3, 2002, p. A1; and <http://www.travail.gouv.qc.ca/revoirLNT/normes.html>.

¹² See Gouvernement du Québec, *Horizon 2005: vers le plein emploi*, Québec, Ministère des Finances, de l'Économie et de la Recherche, 2002 (<http://www.mfer.gouv.qc.ca>).

¹³ See, for instance, André Pratte, “L'esprit des lois,” *La Presse*, August 20, 2002.

¹⁴ See the conclusion of the Commission hearings on the bill, at: <http://www.assnat.qc.ca/fra/Publications/debats/epreuve/cas/021119/1600.htm>.

weeks, the Commission heard over 130 groups, generally speaking in favour of the law. Among these were many of the members of the Collective for the Elimination of Poverty. The Collective considered the draft bill a step forward and a good basis for discussion, but identified a number of weaknesses and proposed many amendments. According to the Collective, this draft bill “could make it possible to do much good ... or very little.”¹⁵

The Collective recommended, in particular:

- 1) Using a broader understanding of poverty (without putting forward a definition) and dropping the reference to social exclusion;
- 2) Putting even more emphasis in the preamble on the effective realization of rights;
- 3) Specifying more operational objectives for the next ten years, and including the reduction of inequalities as well as the reduction of poverty in these objectives;
- 4) Including in the law the goals defined by the collective regarding the elimination of poverty and the reduction of inequalities;
- 5) Adding more specific and generous commitments regarding basic incomes, the minimum wage, labour standards, and taxation;
- 6) Reinforcing the framework character of the law by including an impact clause whereby all governmental actions would be examined in light of their consequences for poverty and income distribution; and
- 7) Introducing a series of emergency measures to rapidly improve the situation with respect to poverty and inequality. Among these measures, free prescription drugs and a floor to social assistance benefits ranked first.

Many of these proposed amendments found their way into the law, in modified forms. The final bill, for instance, includes more explicit poverty reduction objectives, an “impact clause” requiring all ministers to assess the potential impact of new policies on those living in poverty, and the principle of a “floor” income for social assistance recipients.

As the Collective recognizes, Bill 112 is only a starting point, and it has little immediate impact on the living conditions of the poor. “We got a nice rosebush to cultivate,” noted Vivian Labrie in reference to the *Bread and Roses March*, “but not much bread so far.” But the bill begins a new process of public deliberation, one that sees all political parties and most social actors converge around the idea that poverty is neither the result of a personal failure nor a social inevitability.

Obstacles to further progress remain. One has to do with the yet untested collective will of Quebeckers to commit resources to poverty reduction and to support a more generous income

¹⁵ My translation. Collectif pour une loi sur l'élimination de la pauvreté, *Jeter les bases d'un Québec sans pauvreté: Mémoire du Collectif pour une loi sur l'élimination de la pauvreté à la Commission des affaires sociales chargée d'examiner le Projet de loi 112*, Québec, September 2002, p. 55 (<http://www.pauvrete.qc.ca>).

distribution. Another relates to intergovernmental relations and the fact that the actions of the federal government have consequences for poverty. The Employment Insurance program, for instance, has increased the insecurity of workers with contingent employment. Taxation and benefits are also set by both orders of government, and not always in a coherent fashion. Federal income taxes for a single person, for instance, begin at \$7,771, compared to \$11,681 for Quebec income taxes (in 2001).¹⁶ Finally, the federal government also plays a critical but unreliable role in financing social programs via transfer payments. Fiscal imbalance in the federation is a fundamental constraint for the Quebec government.¹⁷

Still, Bill 112 and the national strategy that accompanies it are promising, and in line with an important evolution in advanced democracies. Poverty and social exclusion have recently emerged on the political agenda of the European Union and its Member States. To date, as in Quebec, European orientations and national action plans remain preliminary and more or less operational. Social actors have nevertheless been reinforced by the explicit recognition of their demands, and they are likely to be the main instruments of progress in the coming years. In Quebec as in Europe, the agenda may still need definition, but it has been changed.

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¹⁶ Ministère de l'Emploi et de la Solidarité sociale, *The Will to Act, the Strength to Succeed. Policy Statement: National Strategy to Combat Poverty and Social Exclusion*, Québec, ministère de l'Emploi et de la Solidarité sociale, August 2002, p. 34 (<http://www.mess.gouv.qc.ca/anglais/ministere/publications/enonce.pdf>).

¹⁷ See Commission on Fiscal Imbalance, *Report: A New Division of Canada's Financial Resources*, Québec, Commission sur le déséquilibre fiscal, March 2002 (<http://www.desequilibrefiscal.gouv.qc.ca>).



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