

Combating Poverty: How successful is Quebec?

In 2002, the National Assembly of Quebec passed the *Act to Combat Poverty and Social Exclusion*, enshrining into law a commitment to “make Québec, by 2013, one of the industrialized nations having the least number of persons living in poverty, according to recognized methods for making international comparisons.” In the years since, other provinces have also committed to reducing poverty within their borders, but few have done so as ambitiously as Quebec.

How successful has Quebec been in bringing poverty levels in line with the least poor nations on earth? And, in this context, how does its approach to welfare compare to that of other Canadian provinces?

These are the questions examined in *Combating Poverty: Quebec’s Pursuit of a Distinctive Welfare State*.

In this book, Quebec’s social policy package and spending from 2002 up to 2012 (income support and employment programs) are carefully reviewed and compared to those of Ontario, British Columbia and Alberta in order to assess its distinctiveness. The authors then analyze nearly four decades of Canadian and two decades of international data on household composition, labour market participation and poverty outcomes to assess Quebec’s relative performance.

Two main conclusions stand out: first, Quebec’s approach to welfare between 2002 and 2012 is sufficiently distinctive so as to set it on a different course than the other Canadian jurisdictions. Second, Quebec’s strategy to fight poverty has been successful in bringing poverty rates in-line with “the industrialized nations having the least number of persons living in poverty,” but only insofar as households with children are concerned.

Results

Quebec’s social policy package is characterized by a combination of family-friendly policies and positive activation measures – as opposed to workfare – to encourage participation in the labour market.

In terms of their scope and range, Quebec’s policies and programs to combat poverty and social exclusion clearly exceed those of the other provinces, Alberta’s in particular.

Quebec’s outlier status is primarily due to its emphasis on supporting families with children, including through universal subsidized and affordable childcare, more generous parental leave, as well as more generous transfers to family.



This *Research Highlight* draws on Axel van den Berg, Charles Plante, Hicham Raïq, Christine Proulx and Samuel Faustmann, *Combating Poverty: Quebec’s Pursuit of a Distinctive Welfare State*, University of Toronto Press, 2017.

It was prepared in collaboration with the authors by Sarah Fortin, Knowledge Transfer Coordinator at the Canadian Research Data Centre Network (CRDCN), a major scientific infrastructure created to improve access to Statistics Canada’s confidential microdata, expand the pool of skilled quantitative researchers and support evidence-based policies through knowledge transfer activities.

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- In terms of expenditures on income support and employment programs as a proportion of GDP, Quebec far surpasses the other provinces, especially after the mid-2000s. In 2011-12, the province spent almost 6 percent of its GDP on these programs, with a third aimed specifically at families with children, compared to just below 4 percent in Ontario and BC (10 to 15 percent aimed at families), and about 2 percent in Alberta.
- Overall poverty levels in Quebec exhibit a modest downward trend since the early 2000s that is not observed in the other provinces.
- This downward trend is far more pronounced for families. While poverty rates for two-parent families have drifted upward in the three other provinces, and declined only slightly among single-parent families, Quebec's rates have dropped considerably, reaching levels near or on par with some of Europe's most generous welfare states.
- A large part of Quebec's success in bringing down the poverty rates of families with children is linked to increased labour force participation. Although historically Quebec's participation rates among women have lagged behind the other provinces, today they are on par, or higher.
- Quebec's policy mix has done very little for childless households, particularly single adults for whom poverty rates remain among the worst of the comparative provinces and countries. Moreover, Quebec's policy mix has had little or no impact on the poverty rates of underemployed households which remain at North American levels.
- When we take into account the household composition and labour market participation rates of the provinces, the impact of Quebec's approach to welfare on overall poverty levels become far more pronounced. Many of the major observed differences in poverty outcomes in the other provinces can be attributed to differences in the strength of their labour market. This suggests a growing 'dualism' between Quebec's welfare state and the other provinces'.

Policy and research implications

- Over the past decade and a half, almost every province in Canada has adopted, or committed to adopting, some kind of poverty reduction strategy.
- Quebec has demonstrated that such a strategy can be successful.
- Quebec has also demonstrated that poverty reduction goals can be overstated. The province was able to dramatically reduce poverty rates among key populations but not all.
- A Poverty reduction strategy should be comprehensive and include consultation, accountability mechanisms, and targets with timelines. Quebec achieved its poverty reduction successes through a combination of targeted active and passive measures.
- A number of commentators have raised alarm about what they regard as a shift away from 'nation-building' toward 'province-building' in Canadian social policy. Our results tend to support this appreciation and are likely to add fuel to this concern.
- Our results suggest that researchers would do well to consider subnational regime dynamics in their studies of the welfare state and its impact on people.