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Mr. Dean Allison

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• (1110)

[English]

The Chair (Mr. Dean Allison (Niagara West—Glanbrook, CPC)): I'd like to welcome everyone to the Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities. The way today's meeting is going to work is that we have Professor Noël joining us.

I want to thank you for taking time out of your schedule to be here today to discuss some of the issues of poverty we've been talking about.

Sir, you'll have 10 to 15 minutes, and then we're going to open up to dialogue, with questions back and forth. Our first round will be seven minutes of questions, including the answers, and then we'll continue with five-minute rounds until about 12:30, if that's agreeable to you.

The second part of our meeting today is going to be in camera. We're going to discuss future business. Mr. Lessard has a motion that we'll want to figure out how to deal with as well. So we have some things to take care of between 12:30 and 1:30 today.

That's all the talking I'm going to do. I'm going to turn it over to you, sir, and you can give us your opening remarks. Then we'll get started on the questions and answers.

Thank you once again for being here. The floor is yours, sir.

[Translation]

Mr. Alain Noël (Professor, Department of Political Science, Université de Montréal, As an Individual): Thank you very much. Thank you for inviting me. I am pleased to see that your committee attaches great importance to anti-poverty policies. I know that you have been working on this issue for several months and that you are considering a tour to continue your work. I'm very pleased to hear this.

[English]

I will speak in French, but afterwards, during the exchanges, I will answer the questions in the language in which they are posed.

[Translation]

I do not have a lot of time, and you have already studied this issue somewhat, so I will just present five aspects, ideas or questions relating to anti-poverty policy. I think that this is what you would like to discuss today, basing the discussion on Quebec's experience. Then, during questions and answers, we could explore each one of

these aspects more or look at any other issues that you might want to raise. I will provide you with the five main ideas immediately, and then I will go back to them. They are as follows:

First of all, over the past decade, Quebec has introduced an integrated approach to alleviating poverty, an approach that is still changing, but it is consistent and it is becoming institutionalized. I will come back to this topic. So, my first main idea is the integrated approach.

The second main idea is that in some ways, this approach is unique to Quebec, although it is also in keeping with international trends. You have met with people from Ireland and the United Kingdom. In Europe, many countries are certainly moving in this direction. In Canada, several provinces are also taking this direction. So that is the second idea that I will be discussing briefly.

Third, this integrated approach is paying off. A great deal of work remains to be done, but now that a few years have gone by, we are already seeing practical results thanks to these public policies.

Four, the federal government certainly has a role to play within its areas of jurisdiction and in light of its resources. I will be discussing that point very briefly.

Five, because of the current economic situation, clear directions and actions are even more important, insofar as the years to come may be difficult from an economic point of view and tough for the poorest in society.

I'd now like to discuss the first main idea of my presentation, namely Quebec's integrated approach. The background of this approach is well-known. For the most part, this approach is based on legislation that was passed in December 2002 by all the parties in the National Assembly—unanimously—to offset poverty and social exclusion. This legislation was first designed by a coalition called the Collectif pour une loi sur l'élimination de la pauvreté, which has now become the Collectif pour un Québec sans pauvreté. So you see, a social movement was created for this purpose, bringing together various people and community groups from all regions of Quebec. It included unions, various social movements and organizations, as well as several municipalities. The coalition suggested legislation. Of course, the bill that was finally passed was not the same as the one prepared by the coalition, but all the same, it was a social process that led to this legislation.

In 2004, the first five-year action plan was introduced, on the heels of the 2002 legislation. This action plan has nearly come to an end, and another action plan will follow. This action plan includes a number of measures. Quebec's strategy to alleviate poverty is based on the 2002 legislation and the 2004 action plan, but important measures were taken back in 1997. It was in 1997 that Quebec's public policies began to change.

I won't go into the details, but I will say that the most important interventions within Quebec's framework focus on families, including in particular a restructuring of family allowances, the establishment of the early childhood centres for day care services and finally, parental leave. These measures were brought in to help all families—and we can look at them in greater detail if you wish—particularly lower-income families. The second focus is on work. This policy provides incentives for low-income people to work, somewhat like policies established in several other countries. Under this policy, low-income people receive an incentive if they are working, and the policy provides for drug coverage if people are not covered by an employer.

Early childhood centres are, of course, a support to families, but they also help women to participate in the workforce, and are therefore also part of that component. There was the increase to minimum wage, and more recently, a new deal for employment announced by the Quebec government a little over a year ago. This program is intended to promote the integration of unemployed people into the workforce, as well as people who are facing various obstacles in that domain.

Finally, the third component after family and work is a policy that reaffirms certain social rights, particularly those protecting family allowances from reductions—this was part of the 2004 action plan—and that also indexes social benefits to the cost of living. More recently—this goes back only a few months—benefits for people who are able to work were fully indexed.

We are therefore talking about a set of policies rather than a single one, structured around a certain number of objectives. This is also a way of doing things that includes a number of institutions, which we can discuss in more detail if you wish, but it includes in particular an advisory committee made up of people from various backgrounds in Quebec, including people living in poverty who make recommendations to the government on the targets to be reached, the objectives, etc.

Working alongside the advisory committee is the Centre d'étude sur la pauvreté et l'exclusion, which is more or less the equivalent of what exists in France and is called the Observatoire national de la pauvreté et de l'exclusion sociale. This is a body that provides recommendations to the government on the subject of the indicators to be used to follow people living in poverty. It is therefore a knowledge organization that consults experts.

At the same time, there is also an initiative that promotes social science research on poverty and the issues it involves, which has existed in Quebec for several years. Concerted action is being taken, as we say in the language of Quebec research funds, to finance research in this area. This funding is about to expire and will be renewed over the coming months.

This way of doing things is rather typical of Quebec's way of proceeding, that is to say with several partners, with concerted action, with people working in the domain as well, and it is quite typical of the way things have been done recently in Quebec. It also reflects the fact that the fight against poverty was launched by the people, and therefore cannot simply be carried out by the government.

Finally—and this is the second major component that I will raise today—this integrated approach goes along with and is relatively compatible with what has been done elsewhere in the world over the last few years, more or less since the shift in about the year 2000.

I will not say too much about that, but since the turning point in 2000, the United Nations has set out new millennium objectives for itself on poverty reduction. The European Union, in Lisbon in 2000, also set out objectives and a process for itself. This process aims to provide objectives, somewhat like we did in Quebec, to provide one or more specific action plans, institutional structures to allow for the achievement of these action plans, accountability mechanisms, consideration of the relevant indicators and the participation of people living in poverty.

In short, the Quebec initiative is quite similar to that which was developed by the European Union, without being a carbon copy. There was not really a direct influence, but it was born of the same kind of process and, of course, you have certainly heard about it here. Elsewhere in Canada, in several provinces, people are beginning to move in the same direction. Therefore, this is an integrated initiative, a process that works.

It is obviously rather early to see the results, but we nevertheless can see that, regardless of the yardstick we use, according to the indicators, poverty has been reduced in Quebec over the last decade. If you wish, we could discuss the relevance of various indicators or measures that can be used to assess poverty, which include the Canadian poverty line, the poverty line as it is used by Europeans or the market basket measure as proposed by Human Resources and Skills Development Canada.

• (1115)

There has been a greater decrease in poverty in Quebec than elsewhere in Canada. This is particularly true for families, given that the government devoted most of their efforts to them. Social assistance income in Quebec, as measured by the National Council of Welfare, increased, particularly in the case of families. In the last few years, family incomes for those participating in the workforce and having income from work also improved, particularly income after taxes and transfers. In Quebec, there were fewer inequalities than elsewhere in Canada. The policies therefore seem to be producing results. I will come back to those results a little later on.

I simply want to emphasize that this redistribution did not create any problems in terms of work incentive, quite the contrary. We can in fact see that the number of social assistance claimants went down more in Quebec than in Ontario over the last seven or eight years. Furthermore, we have noted an astonishing fact: households with children, although they had the highest level of social assistance income, stopped claiming that assistance in greater numbers than those without children. Contrary to what we might have thought, by improving the situation of these households, they were not encouraged to remain on social assistance. On the contrary, they integrated the workplace in greater numbers than before. The fact of having greatly improved the situation of families implies that single people were less able to benefit from this trend.

Fourthly, what is the role of the federal government? It plays a very important role, but this role is not set up following a coherent logic targeting poverty reduction. One of the foundations of this role is primarily a remarkable success story. This is not recent, but it allows us to understand what poverty is in Canada. The federal government, along with the provinces, has almost succeeded in eliminating poverty among seniors, over the last 20 to 30 years. In the 1960s and 1970s, Canada was one of the OECD countries with the highest percentage of poor among the elderly. Now, we are among those who have the fewest. This is of course due to the income security programs that come under federal jurisdiction, the Guaranteed Income Supplement, the Canada Pension Plan and the *Régime des rentes* in the case of Quebec, as well as all of the other measures that contribute to the financial security of retired persons.

When we think of the role of the federal government, we also see that alongside this success is a failure. As remarkable as the effort has been as far as the elderly are concerned, the situation of aboriginal peoples is a disaster. This is of course a very important issue for the federal government. Without getting into the finer points of federal areas of jurisdiction, I would say that it is very important not to be too quick to promote a pan-Canadian approach intended to standardize what is being done in Canada. Why? First of all because much of what needs to be done does not come under federal jurisdiction, while at the same time much of what could be done comes under federal jurisdiction.

•(1120)

The issue is therefore to identify what the federal government can do. It is also important to say that the policies we are discussing here are new policies that we are experimenting with. Quebec is carrying out its own experiments. We are learning. Several European countries are doing the same thing and several Canadian provinces have begun to think along the same lines. We do not yet know what will bring the most success. Therefore, there are great advantages to working within the federal framework and leaving the provinces to their own experiments according to their priorities.

As far as the federal government's role is concerned, putting aside of course the issue of aboriginal peoples, there seem to be two priority issues. First, employment insurance, which is the main income security program for Canadians of working age, must be improved, which is quite clearly a federal responsibility. Second, there are the transfers to the provinces, which play an important role in funding social programs. I would add that the federal government

has a role to play—that it is already playing—and it will be called upon by the provinces regarding the measurement of poverty.

Statistics Canada and, above all, Human Resources Development Canada have worked on the development of the market basket measure. This measure appears to be very interesting from Quebec's perspective because it takes into account the real costs incurred by people living in poverty. It is not without its difficulties as a measurement tool, but it rounds out the low-income measure used by the Europeans and it is certainly of more interest than the poverty threshold used by Statistics Canada, which is more and more out of date.

There are other aspects of poverty that we are not well aware of, particularly as far as social exclusion and the deprivation of material goods is concerned, to which Statistics Canada could very usefully contribute.

In conclusion, we are entering a period of recession. This does not call into question the efforts that have been made. On the contrary, it brings us back to the issue of available resources and brings back to the table the importance of employment insurance and transfers.

Thank you very much and I am ready to take your questions.

•(1125)

[English]

The Chair: Thank you, sir.

We're going to move to the first round, starting with the Liberal Party. I have Madame Folco, for seven minutes, please.

[Translation]

Ms. Raymonde Folco (Laval—Les Îles, Lib.): Thank you, Mr. Chairman.

I would like to welcome you, Mr. Noël. Unfortunately, you will have to answer me in French.

Several points that you have raised are of interest to us and we intend to discuss them, for example the potential reform of the employment insurance program. It is very clear and I believe that all of the parties agree that there are things that must be done. What will those things be? We will obviously see in the fullness of time.

We also agree with you on the issue of seniors. This should prove that in certain cases, the financial assistance program can help certain groups of people on its own. It must be noted.

In Quebec, where I am from, an enormous amount of work has been done, some of which you have spoken to us about. What are the lessons that you have learned, you and the people who have studied this issue? We don't want to reinvent the wheel nor to start again at the beginning, because certain important and positive actions have already been taken. I would like to hear what you have to say regarding what worked very well and what worked less well. You could also tell us why. It would be helpful to us if you could tell us how the federal government can tackle the problem, through its programs, so that we do not reinvent the wheel as concerns what has been done in Quebec.

With the current economic situation, what does the Quebec government intend to do? Will the programs that it has implemented be enough? I doubt it. How does the government and the organizations that support it intend to move on? How could the federal government learn from Quebec's experiences? It would not be for the first time, furthermore.

• (1130)

Mr. Alain Noël: That's a multi-pronged question.

Ms. Raymonde Folco: Yes, but I'm asking it for a reason.

Mr. Alain Noël: If I look back, when there was the debate in Quebec about the Act to combat Poverty and Social Exclusion, I was somewhat skeptical, even though I did not admit it. I had been asked to support the proposal. At that time, I was on sabbatical in California and I was happy to be able to say that I wasn't in Quebec and all the rest. I was skeptical because I knew that the act would be adopted, but what would happen then? In the end, what we learned is that it is very important, first of all, to acknowledge that problem and, second of all, to make it a political issue that must be debated openly.

The idea of adopting a lucid approach, which consists in saying that it's a priority, that objectives and tools are established, and that progress is evaluated, is an important contribution. It could even be said that by doing this, we accept that we cannot do everything all at once. Realistic objectives are established so that we can at least move forward in the right direction. That is one aspect.

Something else that emerges from what has been done in Quebec over the past decade, is that the policies that have worked best are those that target all families, households and individuals. Social policy experts have a saying that is heard not only in Canada but throughout the western world. I think it comes from a Swedish sociologist, who once said that policies for the poor are poor policies.

Child care centres are an example of this. When my children were young enough to attend these centres, there were measures to assist the poor in paying child care expenses. They had to apply, there were forms to fill out, it was complicated. If the person lost their job, they also lost their space in the child care centre.

By creating child care centres that are affordable and accessible to all, these are not policies for the poor, they are policies for people who have children. What occurred as a result—and econometric studies are very clear on this—is that women of employable age were able to enter the labour market. This made a difference. Many women were able to return to work. European countries that study birth rates, employment and poverty almost unanimously advocate a system somewhat like the one that was established in Quebec. What has also happened in Quebec is that not only have more women entered the labour market, but young families have also started having more children. Having children is, in a sense, coming back into fashion in Quebec. Good things come hand in hand.

So first, we need an integrated approach, and second, one that, insofar as possible, creates a political framework for everyone, not only, for example, welfare recipients. Earlier, I mentioned a Swedish sociologist, but Plume Latraverse, who has been a major inspiration for me, sings a song called *Les pauvres*. The chorus of this song says that poor people have no money. Plume Latraverse sings that poor

people can't get it together, are poorly dressed, never take holidays, and just sit around on their balconies, but the chorus says that poor people have no money. And that's the bottom line. Poverty is first and foremost a lack of income and what that means, whether we like it or not, is that that question has to be addressed sooner or later. We must create mechanisms that will improve personal income. It's been done fairly well for families and for senior citizens. It's been done fairly well for families, over the past few years, and not only for one category of families.

• (1135)

Again, we created mechanisms. Luc Godbout, author of a small book published this fall and entitled *Le Québec, un paradis pour les familles?* shows how Quebec and federal government transfers changed things for families over the last 10 years. Thanks to these transfers, a family with an income of \$25,000 per year receives an increase of about \$14,000.

We've created mechanisms which improved income for all families, including mine, and social assistance recipients. In so doing, things have improved for everyone. That is the positive side.

[English]

The Chair: Yes, thank you.

[Translation]

Mr. Alain Noël: I have one final point to raise; that is a broad question. The negative side is that we haven't managed to do the same thing for people without children. The field is wide open and there remains a great deal to be done.

I will stop at that.

Ms. Raymonde Folco: Thank you very much.

[English]

The Chair: Thank you.

I realize it's a big question. Thank you for trying to get that to us.

We're going to have Mr. Lessard for seven minutes, please.

[Translation]

Mr. Yves Lessard (Chambly—Borduas, BQ): Thank you, Mr. Chairman.

I also would like to thank Mr. Noël for being here this morning and for sharing his observations with us and his experience in the field of legislation and studies on poverty.

My question may also be rather broad. This morning, I had prepared a number of technical questions which may seem too easy to you. I'm somewhat puzzled by what we are doing here, in part. I bring it up before the committee on occasion and I'll just tell it like it is.

In my view, some aggravating factors for poverty are a result of ill-suited policies or unimplemented ones, and of measures that have been eliminated. In fact you raised one of these policies on two occasions, employment insurance. It is a glaring aggravating factor implemented by the two political parties which have held power. I do not want to enter into the partisan fray, but I simply want to deal with the constraints imposed on people to prevent them from accessing employment insurance.

On that point, you said that the increase in social assistance benefits did not decrease people's interest for work. On the contrary, there has been a notated increase in the number of people in the labour market, which counters the view that receiving employment insurance benefits discourages people from going to work. That is practically how things are stated by other political parties.

Do you not believe we should clearly identify the aggravating factors for poverty in the measures taken by governments over the last few years? That way we would not be doing meaningless work. As an aside, I would add that if there is no political will, no firm desire to eliminate poverty, if we do not create legislation followed by policy and advisory councils, as was done in Quebec, it will be very difficult to deal with this.

I warned you my question would be broad, but it stems from a genuine desire to fight poverty.

• (1140)

Mr. Alain Noël: With respect to your final point, the idea of creating framework legislation, a policy or an action plan is important, as is the setting of goals. It also relates to the idea that generally, when we create public policy we need to be sensitive to its effect on various segments of the population.

You referred to employment insurance, for instance. The fact that it is difficult to access employment insurance will have a different effect on various categories of people. For instance, someone not receiving EI is not necessarily poor, because he or she may have a spouse, for instance, who holds a good job, etc. However, we need further information. We should be able to understand the effects of public policy.

All this to say that poverty is not strictly related to the way markets operate or individual people's capacities or skills. It is also a creature of public policy. Governments do a great deal to counter poverty created by market or other social inequalities, but they may also sometimes worsen the situation. This may not be the forum to do so, but we should reflect on public policy. One criteria in the development of public policy should be at the very least not to worsen the situation, and at best, to improve it.

Mr. Yves Lessard: I gave the example of employment insurance. There have also been drastic cuts, over the years, to social housing. From 1993 to 2001, the federal government stopped contributing to social housing. I am drawing a parallel here to better understand your thoughts on this subject and to refer to the budget in Quebec. For instance, Ms. Monique Jérôme-Forget told us that she did not touch parental leave nor day care because it is an investment which will pay dividends in 10, 15 or 20 years. The taking of this political position on the part of a political leader is a visionary move because it is indeed a real tool in the fight against poverty. On the other hand,

namely in Ottawa, we have ended up with cutbacks to balance the budget.

The National Council of Welfare is of the view that Canada should have a strategy. It did not refer to legislation but to a strategy for eliminating poverty. Do you think that is a good idea, and if so, what should be the key aspects of this strategy?

[English]

The Chair: Go ahead, Mr. Noël.

[Translation]

Mr. Alain Noël: The answer is yes. The strategy should first stem from federal areas of jurisdiction. The federal government should review all measures under its jurisdiction which have a significant effect. We raised employment insurance, but the other central issue is taxation, or the redistribution of income within Canada.

[English]

The Chair: Thank you very much.

We'll go to Mr. Martin. You have seven minutes.

Mr. Tony Martin (Sault Ste. Marie, NDP): Thank you very much.

Thanks for being here today.

I was particularly impressed, initially, with the comments you made about making sure that we lift everybody out of poverty. And you're noting that when you target your programs to all families, you tend to do that. You also mentioned the federal success, for seniors, of the Canada Pension Plan, the OAS, and the GIS and how they have lifted a lot of people out of poverty.

We had Ontario before us last weekend, and they've set themselves some interesting targets. I find them very narrow, though. They're going to lift 25% of children out of poverty in five years. But what about the other 75%, and what about the rest of the population that is living in poverty?

In terms of that and of what you shared with us today, what lessons have been learned thus far in implementing the strategy to combat poverty and social exclusion? What are the strengths and weaknesses of the Quebec anti-poverty strategy?

• (1145)

Mr. Alain Noël: I guess you are right that it may not be good to have targets that are too narrow, but at the same time maybe it's better to have targets than to have none.

To keep on the example of children, the discussion in Canada has often been focused on taking children out of poverty. To some extent it is vocabulary, but the Quebec policies are focused on families rather than on children. I think it's important to do that, because children are poor because they live in poor families. It makes sense to think of the whole family as the unit that matters in this respect.

Just to be brief, the lessons that I stress are that it's important to have a strategy, to have targets, to have objectives, and to have a process, also, so that not only does a government present a strategy, but it also has a process whereby stakeholders can have a say, where you make sure you hear from people in situations of poverty and from groups in the communities, so that all are involved. It is not just a matter of having the right policy; it's doing it the right way.

It's important, as you mentioned, to focus on all households and all persons, not only on the poorest. The choice used to be presented very often as either to go universally, give everybody the same family allowance, for instance, or to be targeted and target only the poor. Now most social policies tend to be universal and targeted. You can reach everybody, but with special effort for the poorest. You can be relatively precise.

Mr. Tony Martin: You spoke briefly at the end about the need to recognize that there are others who live in poverty too, single women and single men who don't live in families as we know them, that kind of thing. The Quebec definition of poverty includes social exclusion, which is defined as a condition of a human being who is deprived of resources, means, choices, and power necessary to acquire and maintain economic self-sufficiency or facilitate integration and participation in society. On the economic front—of course, fighting poverty is good economic policy as well—Quebec is unique in the recognition of the need to use creative vehicles like cooperatives and the social economy to reduce poverty.

In your mind, what is social exclusion, and how does the concept of social exclusion influence the provincial strategy? How do you measure that?

Mr. Alain Noël: The definition you just gave is actually the definition of poverty in the law, and the law, if I remember correctly.... I'm not even sure the law defines "social exclusion". I work with the Centre for the Study of Poverty and Exclusion in Quebec, and we've come up with various recommendations for indicators of poverty—indicators of inequality also, because one thing we had just last week was a presentation by Jean-Michel Cousineau, who is an economist at the University of Montreal who was able to show that, of course, poverty and inequality are not the same thing, but the more unequal your society becomes, the more poverty you have. There is a connection.

So we're working on indicators of poverty, and we have good indicators for poverty, for inequality—but social exclusion, we're working on it. That's a concept that's.... Personally, I'm not convinced it would be the best avenue for you to use this concept, because there's no international consensus on what it means. The Europeans have gone through the same process as part of the open method of coordination. Each country in Europe has to produce national action plans against social exclusion, and at the European level they asked groups of social scientists to develop indicators, and they did. But most of the indicators they developed were really poverty indicators or deprivation indicators. For social exclusion, I think the British are coming up with some definitions. It's extremely difficult to reach a consensus on what it means. If you're not sure what it means, then of course measuring it is difficult.

I'm not saying we should not think about it, but given the state of knowledge on this question, it may not be the concept that's most helpful.

•(1150)

The Chair: Thank you very much for your response.

We're going to now move over to Mr. Komarnicki.

Mr. Ed Komarnicki (Souris—Moose Mountain, CPC): Thank you, Chair.

Thank you for your presentation and insight in this area.

I know you answered it somewhat, but I want to get more particular. Given the strategy Quebec has, in terms of how successful you see it, and particularly with the state of the economy, the evolving economy, what impact is it having on your strategy? How well do you think you'll do by the target date of 2013, I think it is?

Mr. Alain Noël: I am having difficulties hearing. Maybe if you move closer to your microphone.... But this will be translated, right?

Mr. Ed Komarnicki: Yes.

Mr. Alain Noël: It's just the noise in the room.

Mr. Ed Komarnicki: The question I had was essentially this. You set a target as to where you'd like to be by 2013. With the state of the economy and the downturn in the economy, what effect or impact is it having on your target, and how well are you doing generally with respect to meeting the target?

Mr. Alain Noël: We don't know, because the target for 2013 is an abstract sort of target: to be among the best. It's not a target with a specific number. Also, when the target was set, there was no agreed-upon indicator. Canada doesn't have an official measure of poverty, and of course Quebec doesn't either. We are in the process of agreeing on indicators. In the coming weeks the government should come up with a document on indicators of poverty, but there's no scale that would allow us to say exactly where we are.

The action plan requires the government every year to present an account of where we are. What we know is that things have been improving, up to 2004 and perhaps 2006. Of course, data on poverty always lags, and the most recent data we have is for 2006. Maybe by the time we know what the recession will do, we will be out of the recession. I hope it won't be too long. Certainly it will make it difficult, because it will create unemployment. It will make it difficult also because we know for sure that the Quebec government has fewer resources, lower revenues, and therefore less capacity to sustain existing programs, let alone start new ones or redistribute. It will be difficult, but of course because the target is comparative in a way—

•(1155)

Mr. Ed Komarnicki: You've left yourself a lot of wiggle room as to where you want to get to. If you were going to be objective, you really would need to set goalposts or markers and pick a tracking system of some kind to compare, year to year, to see how you're doing. Would you agree with that assessment?

Mr. Alain Noël: Yes. Normally, I would say, from what I've read about what goes on in Europe, politicians do not like to have targets too specific.

Mr. Ed Komarnicki: That's fair enough.

The other point I noticed in your strategy was to make employment the preferred solution whenever possible. I guess that ties in to your unemployment issue with the economy. To make work pay is another strategy. Not everybody would agree that this is where it should be and that it shouldn't be wider than that, but dealing with that narrow point in your plan or program, can you tell me what steps you've taken specifically and how you might be doing with respect to older workers, recent immigrants or newcomers, visible minorities, and persons with disabilities? Are you taking specific steps in those areas with respect to employment? If you are, what are those steps and how are you doing in each of those areas?

Mr. Alain Noël: The first steps that were taken, in terms of making work pay, were along the lines of employment benefits for people who work with low pay. More recently, the Quebec government presented an employment pact, in agreement with unions and employers. Of course, this was designed just before rumours of a recession started, but the aim of the strategy was, in collaboration with unions and employers, to develop training integration measures for the people who are either more distanced from the labour market or have specific obstacles. It's for almost all of the categories you mentioned: older people without jobs, recent immigrants, people with handicaps or obstacles of one kind or another.

It's not a single bullet. It's money that the Quebec government puts into training and into subsidies for employment—for example, to an employer who employs people who are out of the labour market in some way or another. In the last budget, just presented, there was more money allocated to these programs. Even in hard times, this is a priority for the government.

Mr. Ed Komarnicki: What are we talking about in dollars? Can you give me a percentage of wages?

Mr. Alain Noël: No, I cannot.

The Chair: Okay, thank you.

Mr. Alain Noël: I could find out from my papers, but that would not be up to date.

The Chair: Thank you very much.

We're now going to move into the second round, which will be five minutes of questions and answers. We're going to start with Ms. Minna.

Hon. Maria Minna (Beaches—East York, Lib.): Thank you, Mr. Chair.

Thank you for coming, Mr. Noël.

I just wanted to make a comment.

We were told, when I was on a different committee, that the early education and child care program alone had assisted women in Quebec. As a result, there are more women working than before and more children being born. I'm wondering if you could just comment on that. I think it was a combination, as I was told. I just want you to expand on that with respect to both early education and child care and the Quebec parental leave program, which is richer than the general one. I wonder if you could verify that and explain how that's correlated and how that's helped with respect to poverty issues.

• (1200)

Mr. Alain Noël: I don't think there have been econometric studies on people having more children. But the integration of women into the labour market has been demonstrated in econometric studies that have controlled for all kinds of other variables. The combination of available day care—which is not available enough, but still, once you get it, it's affordable—affordable day care, plus the supplements, the family allowances and supplements for people who work for low pay, make it more feasible for someone to hold a job. It has increased the participation of women in the labour market. That's been established empirically.

Hon. Maria Minna: Quebec has legislation with respect to a poverty strategy. Do you think that if it had not been legislated it would have been as successful as it has been? Is legislation fundamental to the process?

Mr. Alain Noël: That's a very good question, because you could argue it both ways. Some of the measures we talked about were introduced before this legislation. We were just talking about the day care offer and family allowances. That being said, the major transformation of the transfer system came with the first action plan, in 2004, and it is my conviction that without the law... When the Jean Charest government was elected in 2003, they were not too keen on it.

Hon. Maria Minna: It might have been watered down.

Mr. Alain Noël: I think there were various factors, but the law required that they produce an action plan, so they had to say something. Eventually, they also realized that there was broad support in public opinion. So the law prompted governments to act, and it also consolidated in public opinion the idea that you can do something. So yes, it made a difference.

Hon. Maria Minna: You had mentioned earlier—

Mr. Alain Noël: I have just one more point. With one of my students, I looked at the various national election plans in 15 countries in Europe. There were all kinds of ways social programs in these different countries were organized. But on certain matters, there was a clear difference between the countries that made a legislative commitment and those that did not, and you see the result in the policies that have been adopted, in the way work is supplemented or not, and what has happened. So these laws make a difference.

Hon. Maria Minna: You mentioned earlier in your comments that of course this was family-centred, which I understand. But for unattached individuals, people who don't have children, is work being done at this point to address them, adults who are poor but don't happen to have children or a family? Is there any work being done in Quebec at this particular time?

Mr. Alain Noël: Certainly the government is aware. If you look at the last *bilan* of the action plan, it starts with the recognition that single persons have been sort of left behind. There is a will to do better, but I think it will be harder. It's a large group of people. It's a question of incentives and so on. But it is a next step, I would say.

• (1205)

Hon. Maria Minna: I see.

My last question has to do with national involvement. We're looking at establishing, hopefully, a national poverty strategy. I would ask, first, if you advise that we legislate it in some way; and secondly, of course, before legislation, there would have to be, I presume, some extensive consultation with provinces in areas of overlap or jurisdiction. I'm wondering what advice you would give us on that.

The Chair: Go ahead and answer the question, but make it a quick response. We're over time.

Mr. Alain Noël: Okay.

First, I would not call it a national policy. I would call it a Canadian or a federal policy. And I would try to make sure not to place all the provinces on the same track or within the same norms, because we don't know for sure what will work best.

Yes, I would legislate, but I would focus first on areas of federal jurisdiction. There are plenty to play with.

Second, in terms of a role for the federal government, I would focus on measures that facilitate the exchange of information, the development of knowledge about the indicators of poverty, knowledge about policies, exchanges between provinces on best practices, and so on and so forth.

The Chair: Thank you very much.

We're now going to move over to Mr. Lobb.

You have five minutes, sir.

Mr. Ben Lobb (Huron—Bruce, CPC): Thank you very much.

I did a little reading on the research centre that you've put in place. What tangible results on poverty have been yielded so far by your research centre?

Mr. Alain Noël: Even calling it a research centre is probably too much. It is a centre, but it's small and has few resources.

Our main role—I say “our” role because I'm part of the centre's board of directors—is to advise government on indicators and to follow this advice with publications on indicators. So far, we've mainly studied what are the best indicators and produced recommendations along these lines. Most of it, therefore, is not so much research on policies but more trying to get the facts straight on what's happening. For instance, are we improving or are we facing more poverty? Are some groups within the population in more difficulty than others? What happens with inequality?

Aside from this research centre, a research program was put together by many ministries in the Quebec government, along with the Quebec fund for social research, to provide financial support for scholars or research groups in universities who work on poverty. These studies are going to come out, to be presented in the coming year or so. There will be a second round.

Mr. Ben Lobb: We've talked to many different groups. Many of them have talked about increasing income, and about the benefits of increasing income. We have seen a large increase in the income for those people. I think \$14,000 was the number that you mentioned. Has your province put in any components to help with the financial management aspects, to help make those dollars go further? I'm just curious about that.

As well, we've heard others talk about addiction and mental illness. Their dollars may go up, yet their issues don't leave them behind.

So those are my two questions: Is there anything to do with financial management, to help them make the dollars go further in their day-to-day lives; and second, around addiction, is there anything to help them with that?

Mr. Alain Noël: On the first question, when I mentioned a major increase in income it was mainly for families where there is one market income and it's supplemented by the government. My presumption is that these people know where to put their money. They tend to be still low-income families. To my knowledge, it's not an issue of people not using their money wisely. I haven't seen any studies on this or any policy.

As far as addiction and mental illness are concerned, those are issues that are further down the line. Governments do policy also, as you know full well, through various silos and ministries, so everything that has to do with health would be dealt with separately. I'm not sure there has been much thought given to that. But it may just be that it's not my area of expertise.

• (1210)

Mr. Ben Lobb: Just to be clear, then, there really is nothing in place for any financial management skill enhancements, or any kind of reduction strategy around mental illness or addiction?

Mr. Alain Noël: Do you have an example in mind?

Mr. Ben Lobb: On financial management, we know that in the U.S. for many years they actually spent more dollars than they earned. I think the last figure I saw from the report was that for every dollar they made—not people in poverty, just general, middle-class, everyday working people—they spent \$1.07. Obviously, people in the middle class are having trouble managing their money.

I just wondered if they would bring the same parallels to those people who are in the most need to help them extend their dollars as best they could.

Mr. Alain Noël: In the community sector there are all kinds of organizations that do that, and they receive support from the government. But there is no overall strategy. Basically, if you think about people on welfare or people close to welfare, people who are poor or near poor, their management problem is that they just don't have enough to go around. I guess that's what being poor is about.

The Chair: Thank you very much.

We're now going to move to Madame Beaudin, for five minutes.

[Translation]

Mrs. Josée Beaudin (Saint-Lambert, BQ): Thank you very much, Mr. Chairman.

Mr. Noël, I thank you for being here. You say it is possible to reduce poverty. Do you think it is possible to break the cycle of poverty and specifically prevent it from taking hold in children?

Can legislation and public policy alone suffice in reducing poverty? Aside from legislation, are there other factors or other partners in the fight against poverty? What about local initiatives? Can public policy alone address this issue?

You also referred to the Collectif pour un Québec sans pauvreté. The legislation grew out of a grassroots effort in Quebec and a rather broad partnership, which seems rather important to me. The Collectif pour un Québec sans pauvreté is always on the lookout and informs government of any developments in the area of poverty. I think local initiatives are important factors, even in the area of mental health.

Let's now move to housing. We have spoken of income, but very little of expenses. These days, housing is expensive for average-income families, so imagine what it is like for low-income ones. The issue of housing is not being addressed. Almost 42,000 families in Quebec are awaiting social housing, in other words housing which they can afford to rent.

I would like you to address this issue for us and any related aspects.

Mr. Alain Noël: You are raising a major issue, the cycle of poverty. Honestly, we don't know, but our children may one day. What we do know on the issue is through international research. Increasingly, there is a consensus emerging: the stage is set during early childhood. Almost all experts in the field say that we must ensure mothers have a job and an income. Moreover, we must ensure children have access to quality day care services. If we do that, I think we're investing in the right place.

• (1215)

Mrs. Josée Beaudin: There's also the right to decent housing, I would imagine.

Mr. Alain Noël: That is another matter. In Quebec, we are somewhat at an advantage in this respect. For historical reasons, specifically in Montreal and Quebec City, more so than in other Canadian cities, there is a considerable housing stock. Average-sized cities in Quebec have more affordable housing than others throughout the country. That said, we clearly need to make an effort in the area of social housing, which is not sufficiently developed. It is indeed a major obstacle for people.

With respect to the other part of your question, in other words the importance of legislation and partners, the fact remains that it all works together. The law was a rallying point for existing organizations. It helped mobilize a variety of partners. In Quebec, a number of initiatives are due to active grassroots community and local groups and that's all the better. Earlier we talked about breaking the cycle. The problem is in our hands. School dropouts are also an issue for community partners.

Mrs. Josée Beaudin: I must interrupt because my time is very short.

You say that it's all the better, but wouldn't you say that it is essential?

Mr. Alain Noël: Yes, yes.

Mrs. Josée Beaudin: Even if we were to implement policies and have a little more money for our children, at the local and regional level people still have to come together and get organized. I'm thinking now of all the socio-economic projects that exist. In times

of crisis we have to take ownership of our economy once again. Again, in this area, Quebec is very proactive. We only need to think of the Chantier de l'économie sociale in Quebec.

Mr. Alain Noël: As engaged as the community may be, the fact remains that we need to have a framework and support. For people's demands to be heard, there needs to be some legitimacy, you have to work with government. In that way, legislation can play an important role.

Mrs. Josée Beaudin: Yes, absolutely. These things work side by side.

Thank you.

[English]

The Chair: Thank you very much. That's all the time we have.

We're now going to move over to Mr. Vellacott for five minutes.

Mr. Maurice Vellacott (Saskatoon—Wanuskewin, CPC): Thank you, Mr. Chair.

I want to follow up on what we call the “gentle Lobb questions” from Ben Lobb over here, from the Conservatives. I thought he had a good question. I wanted to follow up on one.

We had a specific program in the city of Saskatoon that wasn't only for “lower-income poor people”; it could be for others as well, but there was a real emphasis that way. It was called the good food box program. That is my rough recollection of it. They would provide garden produce and so on from market gardens around the greater Saskatoon area, and they would take them to people. If you were on a regular kind of list wanting this, you'd pay not very much, and there were recipes with it. The sense of this was—and I believe this to be the case—that with our modern supermarket-era society, a lot of people have gotten away from using raw produce out of the garden, and from cooking it and serving up delicious meals and so on. We open cans. We open boxes of macaroni or whatever, which is more expensive in some cases, and it is often not as nutritious, as you well know.

I am not necessarily suggesting that governments are the ones best poised to do this kind of thing, but certainly as any of us go through those times in our lives when we have less money, and probably at any point in time, we can all use some help in terms of budgeting and managing these types of things, and awareness of government programs, etc. Especially when I've had dips in income, then probably more than ever I've been grabbing for that kind of counsel and that help and advice. It's a good reinforcement of something I knew. Maybe it's new stuff altogether.

I was a little surprised at your remarks. Maybe you can help me. Maybe you are aware of community programs. Is that what you were implying? Was it that the government doesn't do it, but community groups should? It seemed to be a good thing. It was going into a home where there was both a mom and a dad, or there were often singles, but there had been no modelling in terms of how to cook from scratch, so to speak. It was all canned and prepared stuff, which too many of our people are used to. This seemed to be a good thing to have healthy, nutritious meals for these children, through this regular program, once or twice a week at a fairly modest, nominal cost, with recipes actually included.

I hear some very good reports on that. We have used it occasionally ourselves, because it wasn't exclusive to people at a poverty-level income. Others who from time to time wanted to could be in as well.

I would appreciate your remarks on that. It seems to me that all of us can use some help with budgeting at whatever income level. Maybe as people get more money, they have more to spare and so need that less, but we could all use it, even in terms of being coached, I would hesitate to say, in what is possibly a bit of a lost art because we're so used to cans and cracking open packages of prepared refined processed foods. We've lost the art of our grandmothers or mothers in terms of cooking up the stuff right out of the garden, if we can get hold of it.

• (1220)

Mr. Alain Noël: I'm not sure about what people cook or do not cook, but I think you're right. A number of the programs that deal with nutrition, food, and everything are community-based. Maybe you will be in a position to have that, but we have a good picture of what it represents across the country.

We talked earlier about the importance of the community sector for that type of intervention. What we know also is that if you live in a poor neighbourhood, that's pretty well established. If you live in a poor neighbourhood, it's not only that you may not know about certain possibilities for the foods you could buy, but also, there's less on offer. Very often, poor neighbourhoods also have less well-endowed grocery stores and there is less access. Because, of course, if you don't have a car, you have to go to a store near by. You buy what's available near by, and if you're in a poor neighbourhood, you may not have very good produce either.

I think it's important to have initiatives like that. More generally, the idea is also to sustain, I think, the possibility for people to get organized at the community level. In Montreal, the United Way of Greater Montreal has experimented in one neighbourhood, Saint-Michel, where they put a lot of effort into developing local leadership to sustain organizations. In a sort of concerted effort, they decided to intervene to sustain organizations in that neighbourhood. It really made a difference.

Your example is right, and it could be generalized in regard to the importance, in a way, of helping communities develop services, programs, and so on.

The Chair: Thank you very much. That's all the time we have.

We're now going to Mr. Savage for five minutes.

Mr. Michael Savage (Dartmouth—Cole Harbour, Lib.): Thank you very much, Professor Noël, for coming here today and talking to us about what Quebec is doing on anti-poverty.

For a long time, Quebec has had a very progressive approach to social infrastructure, whether it's early learning and child care, keeping tuition fees at a moderate level, or other parts of our social infrastructure. What I want to learn from you, if I could, are any thoughts that you have specifically about what role the federal government should have.

I know, for example, that Quebec is one of the provinces that tailors the federal WITB program, the working income tax benefit, to

Quebec needs. There are actually three provinces that the federal government allows flexibility to in order to tailor WITB to the needs of the province: Quebec, B.C., and, I think, Nunavut. So there are ways, as you mentioned, in which the federal government and a provincial government can in fact work together to alleviate poverty.

I'd like to know if you have very specific recommendations that you would make to the federal government on our anti-poverty strategy. What recommendations should we make to the government to include as components in producing that strategy?

Mr. Alain Noël: I'm really glad you mentioned the term "social infrastructure", because there has been lots of talk in recent weeks about investing in infrastructure. Usually when we talk about infrastructure, we think of bridges and concrete and all kinds of buildings that we need to fix and repair—which is fine; we don't want bridges to fall. But it's good to keep in mind that some infrastructure is social, and a good school is not only a school that has a roof that doesn't leak but is a school that also has good professors and resources for kids and so on. So an investment in social infrastructure is just as beneficial.

As far as the role of Ottawa is concerned, in a way that's your task: to identify what would be a good priorities strategy. I think the first thing would be to make poverty a priority. That would already be very beneficial.

I would start from revenues, especially going over the.... Well, we talked about employment insurance, but also the fiscal system. There has been a lot of effort in recent years to reduce income taxes, but these efforts have not been made in consideration of what happens to people who are at the bottom of the income scale. So that would be important.

And of course, as I mentioned earlier, the situation of poverty among first nations has to be a major preoccupation for the federal government.

• (1225)

Mr. Michael Savage: I certainly agree with you. On the social infrastructure side, you're entirely right that there is a whole element of infrastructure spending that is needed. And when we talk about even stimulative spending, I think there are a lot of studies that indicate that the best stimulative spending you can do is also on social infrastructure. So in terms of what we talk about from the recent budget, the infrastructure spending—i.e., stimulus spending on infrastructure—in a lot of cases doesn't help the lowest-income Canadians. It's the highly skilled workers who will probably benefit more than people who are working part-time.

The EI system, investing in child tax benefits, the GST tax credit, and things like that would be very strong measures that would not only assist those who need help but would also put the money right into the economy, because the people who get the money need it to spend right away. Is that an idea you agree with?

Mr. Alain Noël: Yes.

Mr. Michael Savage: Is there anything specific you would think the federal government could do, whether it's increasing the child tax benefit, whether it's continuing to work on the WITB, or whether it's an investment in providing money to the provinces for their social infrastructure? Is there one specific thing you'd like to see come out of a federal anti-poverty strategy in Canada?

Mr. Alain Noël: Everything the federal government does for families right now is a result of a series of measures that were taken one after the other. You have the Canada child tax benefit and the national child benefit supplement and the income tax deductions, now that they exist, and of course the money you get for day care, the \$100.

Mr. Michael Savage: Universal child care benefit.

Mr. Alain Noël: The universal child care benefit. To me, that measure doesn't work. It's not redistributed, it doesn't support child

care, and it doesn't help women enter the labour market. So that would be an easy one to change.

Mr. Michael Savage: I think you're right.

The Chair: Thank you.

Professor, we want to thank you for taking the time to be here today. That's all the time we have. We're going to go in camera after we have a quick break here, to go through some committee business. But thank you very much for taking the time out of your busy schedule to be here today. Thanks.

We'll just take two seconds and then we'll reconvene.

[Proceedings continue in camera]

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