

2001-2002 BUDGET

**\$300 MILLION FOR A MAJOR OFFENSIVE AGAINST POVERTY
AND EXCLUSION**

Québec City, March 29, 2001 – Deputy Prime Minister and Minister of State for the Economy and Finance Pauline Marois announced in the **2001-2002 Budget Speech** the various components of the offensive undertaken by the government to fight poverty and exclusion. The government is injecting \$300 million on behalf of the most underprivileged further to three major decisions: social assistance benefits will be increased as of this June; second, the “Action emploi” program will be introduced; third, a social solidarity reserve will be created.

Ms. Marois emphasized that these initiatives demonstrate the importance the government accords to the fight against poverty and exclusion. “We will wage this fight with the same energy and determination that we put into the fight against the deficit”.

Social assistance benefits increased as of June 2001

As of this June, the government will raise by 2.5% the social assistance benefits of households whose members are considered able to work. The increase in monthly benefits will range from \$12 to \$23, according to household composition. This measure, which represents \$102 million in support over the next three years, will benefit 250 000 households. The remaining 120 000 households, whose members have a severely limited capacity for employment, already benefit from the zero-poverty clause agreed on at the Montréal Summit. Every January 1, their benefits are adjusted to the cost of living.

“Action emploi”, a new program for social assistance recipients

The Minister then announced that the government is creating a new program, “Action emploi”, aimed at encouraging social assistance recipients to return to work. After “Solidarité jeunesse”, which targets young people under 21, and

“Destination emploi”, the new program is intended for social assistance recipients who have been receiving benefits for three years and who find full-time employment.

The program is a generous one, as each “Action emploi” recipient will receive a supplement of \$390 a month the first year, \$260 a month the second year and \$130 a month the third year. Thus, recipients who earn minimum wage will see their remuneration rise from \$10 536 to \$14 105 thanks to the government supplement.

A social solidarity reserve

Lastly, the government is creating a \$100-million social solidarity reserve out of the excess amounts generated in 2000-2001 by sound management of public finances. This reserve will be used to implement new social solidarity and anti-poverty initiatives, particularly in terms of social housing.

Support for home care services

Other measures announced in the 2001-2002 Budget Speech will also directly contribute to the fight against poverty and exclusion.

Ms. Marois announced that funding of the network of home help businesses is being increased to \$32 million a year and will now be granted on a permanent basis. Since 1997, this support, which benefits older persons and disadvantaged persons in particular, has resulted in the creation of 103 social economy businesses and 3 800 jobs. The measure represents a \$96-million investment over three years in the development of the social economy.

In the 2001-2002 Budget, the government also stepped up efforts to reduce the school drop-out rate and improve services provided to young people and their families.

The fight undertaken by the government

In the 2001-2002 Budget Speech, Ms. Marois reminded everyone that Québec has long been one of the most progressive societies in North America: “The redistribution of wealth is a priority of the government—a priority that I unreservedly endorse. The Budget that I am tabling today is one of hope and fairness that concretely marks the government’s determination to wage a vigorous fight against poverty and exclusion”.

She went on to say: “Employment still represents the best means of attaining this objective. To that end, our government will continue to set up support measures such as the ‘Action emploi’ program for people without work”.

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