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**For real improvement of the economic security
of women who are single parents**

Brief submitted to the Standing Committee on the Status of Women
by the
Fédération des associations de familles monoparentales et recomposées du Québec
[Federation of Single-Parent and Blended Family Associations of Quebec]

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La Fédération des associations de familles monoparentales et recomposées du Québec (FAFMRQ)

[Federation of Single-Parent and Blended Family Associations of Quebec]

Our Federation was established over 30 years ago. While it was originally created to represent single-parent families, since 1995 it has also served blended families. More recently, fathers' groups have also joined our ranks. The FAFMRQ now represents over 50 associations from all regions of Quebec.

Over the years, the Federation has conducted important initiatives for the well-being of single-parent and blended families. Some of the issues in which the FAFMRQ has been actively involved include the combatting of poverty, making child support payments automatically collectible and tax exempt, funding and recognition of family community organizations, and family allowances. The Federation has also been politically active in a broader solidarity movement by participating in events such as the *Bread and Roses March* in 1995 and the most recent editions of the *World March of Women* in 2000 and 2005. In recent years, the Federation has contributed actively to the work of the *Collectif pour un Québec sans pauvreté*, and was among the groups that contributed to the passage of *Bill 112 – An Act to Combat Poverty and Social Exclusion* in 2002.

In December 2004, the Federation took part in the consultation on the Conseil du statut de la femme's advisory called "*Vers un nouveau contrat social pour l'égalité entre les femmes et les hommes*" [*For a new social contract for equality between men and women*]. The FAFMRQ also takes various actions to help make education more financially accessible for the heads of single-parent families.

Introduction

The aim of this brief is to sketch a general picture of the living conditions of single-parent families in Quebec. The FAFMRQ does not claim to offer a representative profile of all Canadian single-parent families, first because its expertise and knowledge relate primarily to the Quebec context, but also because Quebec's family and social policies differ in a number of respects from those in the other provinces of Canada. Where relevant, however, we will attempt to draw certain connections to the federal social policies that affect the living conditions of single-parent families in Quebec.

As the Standing Committee on the Status of Women has itself noted during its recent consultations, there are a number of factors that are key determinants of the economic security of women, in particular access to higher education or qualifying training and access to quality jobs with suitable pay. In addition, whether or not they have children has major impacts on the lives of women. In the case of women who are single parents, the obligation to assume sole responsibility for one or more children substantially affects their real prospects of having decent living conditions. As we shall try to demonstrate, although Quebec is a leader on social and family policies, single-parent families, in particular those headed by a woman, are still among those most severely affected by poverty. So there is still a lot of work to do to improve the support offered to this type of family.

Single-parent families in Quebec

As of the 2001 census, there were 1,267,815 families in Quebec. Of this total, 335,595 (27%) were single-parent families, the great majority of them (80%) headed by women. This represents a 3% increase in single-parent families since the 1996 census.

The statistics for recent years clearly demonstrate that single-parent families, especially those headed by women, are among the poorest in the country. According to National Council of Welfare data, the poverty rate among single-parent families consisting of the mother and her children is still five to six times higher on average than the poverty rate for couples with or without children. According to Statistics Canada, in 2001 the poverty rate for single mothers under age 65 was 42.4%, compared with 19.3% for single fathers, 9.5% for couples with children, and 8.1% for couples without children. Furthermore, according to *Campaign 2000's* 2004 report on child poverty in Canada, the poverty rate of children living in a single-parent family was 51.6% in 2002.

In 2003, the low income cut-off before tax for the entire population of Quebec was 22.5%. The low income cut-off was 9.5% for two-parent families, but climbed to 40.9% for single-parent families and 46.9% for single-parent families headed by a woman. In 2002, average before-tax income was \$75,782 for two-parent families, but only \$33,581 for single-parent families and \$29,884 for single-parent families headed by a woman.

Inadequate social assistance benefits

In August 2006, 48,174 single-parent families in Quebec relied on employment assistance (social assistance) benefits to live. According to a National Council of Welfare report published in summer 2006, the estimated annual social assistance income for 2005 for a single-parent family with one child (including supplemental benefits and provincial and federal credits) ranged between \$12,326 (for Alberta, then the richest Canadian province) and \$22,648 (for the Northwest Territories). Quebec ranked just below the national average with income of \$15,395. These amounts are clearly insufficient, and far from permitting these families to cover their essential needs. In addition, in Quebec child support continues to be deducted from social assistance benefits, except for the first \$100 per month, despite the fact that these amounts have not been taxable since 1997. For many years the FAFMRQ has been critical of this situation, which deprives thousands of children from income to which they are nonetheless entitled.

In December 2002, the National Assembly of Quebec unanimously passed the *Act to Combat Poverty and Social Exclusion*. One of the objectives of this Act is to ensure that by 2013 Quebec ranks among the industrialized nations with the fewest persons living in poverty. Four years after the passage of this Act, in spite of certain improvements, the government's record on combatting poverty is far from perfect. Various rate increases have affected personal income in recent years. From 2004 to the end of 2006, the costs of electricity rose by 11%, of day care by 40%, public transit 18% and gasoline 35.5%. Meanwhile, social assistance benefits have been only half indexed, in January 2007, after years of not being indexed. There have been no studies to date to measure the impacts of these events on individuals and families living in poverty.

Recently Quebec's Health and Social Services minister announced that medication is now free of charge for all categories of persons on social assistance. While this is a step in the right direction, this measure is only a partial response to the initial demand of Quebec social groups, which was for medication to be free of charge for all persons with an annual income of under \$12,000.

Family support tax measures and minimum wage

The most significant gains in Quebec have doubtless been achieved at the level of the tax system, notably through the introduction of the *Child Assistance* and *Work Premium* measures¹ in January 2005. *Child Assistance* is much more generous than the former family allowance plan and has the merit of being universal. The *Work Premium* is an improvement on the previous Parental Wage Assistance program, but has the adverse effect of allowing companies to keep wages at their lowest. On this subject, a substantial increase in the minimum wage should be considered as soon as possible, especially when one considers that the great majority of workers at the bottom of the scale are women. In Quebec, where the minimum wage will be \$8 an hour effective May 1, 2007, for a person working 40 hours a week, this represents an income of barely \$16,640 per year, which does not even bring an individual above the low income cut-off. However, according to a report submitted to the federal government by counsel Harry Arthurs in October 2006, the minimum wage should be established on the basis of the low income cut-off, i.e. at an hourly rate of \$10.22.

On the federal side, the introduction in July 2006 of the \$100 per month allowance (\$1200 per year) for families with children under age six has not been particularly welcomed by the FAFMRQ. First, by making this money taxable, the federal and provincial governments have slashed the real benefits to families. Second, single-parent families are losers under this measure. Assuming an income of \$35,000 per year, a single-parent family with two children will see this allowance fall to under \$1562 once income tax is deducted, compared with \$1812 for a two-parent family in which only one of the parents is working. In our opinion, a refundable tax credit would have been much more equitable for Canadian families generally. Furthermore, honouring the day-care agreements signed by the previous federal government, which allocated \$1.2 billion to develop day-care services, would have permitted Quebec to consolidate its reduced-contribution childcare services network and to improve services for families. Incidentally, the effects of not honouring the day-care agreement are being felt much more severely in the other Canadian provinces, which do not have a reduced-contribution childcare services network.

Access to education

One of the longstanding demands of the FAFMRQ has been for the introduction of concrete measures tailored to the specific needs of heads of single-parent families in order to enhance their access to education regardless of their socio-economic status. One of the surest ways to escape poverty is to have access to an education that can lead to quality jobs. If one considers that 80% of the new jobs being created today require a postsecondary education, one quickly understands the importance of

1. For more details on the *Child Assistance* and *Work Premium* measures, see the Régie des rentes du Québec Web site at www.rrq.gouv.qc.ca.

permitting real access to education for all persons making this choice. However, since university is not the answer for everyone, efforts must also be made toward promoting technical and vocational fields of study.

Despite the fact that Quebec has the lowest tuition fees in Canada, the actual possibilities of accessing education and making the school-to-work transition are particularly limited for the female heads of single-parent families, especially those with young children. Not only do these women have to overcome the substantial obstacles that come with assuming their parental responsibilities on their own, but on top of that the existing measures are poorly adapted to their specific needs. This is particularly the case with the Loans and Bursaries Program, which in addition to continuing to consider a portion of child support in calculating the financial assistance granted, offers inadequate coverage of day-care expenses and other living expenses. In certain cases, single-parent female students on loans and bursaries find themselves with incomes that are below those of social assistance recipients.

In many respects, the female heads of single-parent families are victims of systemic discrimination in terms of access to education: not only is their income inadequate under the Loans and Bursaries Program, but they will have accumulated more debt by the time they complete their education. In this regard, increasing the *Canada Health and Social Transfer (CHST)* would be an effective way to provide better financial support for all Canadian students. Correction of the fiscal imbalance and fair restitution of the transfer to the provinces would permit the Quebec government, which is in the best position to understand the Quebec reality, to appropriately support its students, notably by augmenting its loans and bursaries system.

Although a step has just been taken in the right direction on this subject with the latest federal budget, which starting next year will allocate \$800 million a year for postsecondary education, we will have to see how the provinces enable students to truly benefit from this. The issue of removing the freeze on tuition is becoming an increasingly common topic of public debate in Quebec. For those who support it, the deficit positions of the universities are too substantial, and this poses a threat to the quality of higher education. But even though tuition fees have not been raised since 1994, the other mandatory fees required by the universities (fees which are not government-supervised) have spiraled (in 2006-2007, the Quebec average for other fees is \$624, which is 304.4% higher than in 1993-1994). Those in favour of removing the freeze on tuition consider that students should be making more of a contribution. However, according to data from *Aide financière aux études*, between 1994 and 2001 the average annual income of university students declined from \$11,810 to \$11,103 (in constant dollars, this represents a decrease of \$2,039).²

2. Ratel, Jean-Luc, "Indexer les droits de scolarité – Une goutte d'eau pour les universités, une mer à boire pour les étudiants," *Le Devoir*, January 31, 2007.

More social housing

More effort should also be devoted toward developing social housing. In Quebec, “[translation:] *households in which a woman is the main breadwinner are tenants to a larger degree than households with a male breadwinner. For example, in 2001, 55.4% of women were tenants, but only 33.8% of men. Among these tenants, it is women who are more likely to experience problems in terms of ability to pay. Being poorer than the average for other households, more single-parent families spend more than the standard 30% of their income on rent, especially when they are headed by women. In the last census, close to 40% of them were in this perilous situation. In addition, the housing shortage of recent years has had a very serious impact on women. A survey of homeless households requiring financial assistance to be able rent a dwelling in 2001 and 2002 shows that in 71% of cases it was women who were responsible for housing matters*”.³

Balancing family, work and education

When one has children, balancing personal and family life with the obligations of working or student life can be a real headache. If this is true for two-parent families, it is even more so for single-parent families in which one parent has to take on all the family responsibilities alone. And family responsibilities do not always boil down to the simple fact of being a parent. Given the trend of more and more cuts to health and social services, a growing number of persons (women, in most cases) are being called upon to care for an elderly or ill family member. This overload of family responsibilities, associated with often difficult working conditions, is having direct impacts on individuals’ health, often leading to burn-out.

In the labour market, major transformations have compounded the difficulties of balancing the private sphere with working life. Consider for example the growing number of atypical jobs (temporary, on call, part time) and the working days that are becoming ever longer. Employers too often tend to manage their employees’ balance problems on a case-by-case basis, instead of by adopting an official policy on the subject.

However we should note the advent of the new *Quebec Parental Insurance Plan*. As of January 2006, new parents can benefit from a more generous plan than the one offered through the federal employment insurance program, a plan that offers longer parental leaves, for both fathers and mothers, and larger amounts. It should be remembered however that the Quebec Parental Insurance Plan is wholly financed by workers’ contributions, and certain individuals (including students) are not covered by it.

The existence of a public reduced-contribution childcare services network also plays a key role in making it possible to better balance family life and working life for single-parent women with young children. However, childcare costs recently rose from \$5 to \$7, and there is nothing to guarantee there will not be further increases in the years ahead.

3. *Dossier noir: Logement et pauvreté au Québec*, Front d’action populaire en réaménagement urbain (FRAPRU), <http://www.frapru.qc.ca>.

Conclusion

According to data recently published by the *Canadian Centre for Policy Alternatives*, in 1976 in Canada, people in the richest tenth of the population had incomes 31 times higher than people in the poorest tenth. In 2007, the richest tenth of the population now has income 82 times higher than the poorest tenth. These data make it clear that current social measures are inadequate to reduce the gap between rich and poor. As we mentioned earlier and as the Standing Committee on the Status of Women has itself noted, single-parent families headed by a women are among those most likely to be affected by poverty. It is therefore imperative that steps be taken promptly to correct this situation and to ensure that all Canadian families have incomes that allow them to truly meet their essential needs.

Recommendations of the FAFMRQ:

- *That transfers to the provinces by the federal government via the Canada Health and Social Transfer (CHST) serve to establish social assistance benefits designed to truly meet the essential needs of individuals and families.*
- *That child support be fully excluded from the calculation of social assistance benefits and the calculation of financial assistance for education.*
- *That the minimum wage be set so that a person working full time can have an income above the low income cut-off (\$10.22 an hour in 2006).*
- *That transfers of \$2.2 billion be made in postsecondary education so that the provinces can increase their financial assistance programs for education.*
- *That the federal government increase its investment in housing by \$2 billion per year, and that this money be entirely dedicated to social housing in the form of public housing, housing cooperatives and housing managed by non-profit organizations.*
- *That the federal government honour the day-care agreement signed in 2005 between Ottawa and the provinces, so that all Canadian families can access quality, reduced-cost educational day-care services.*
- *That the total budget of Status of Women Canada be increased for better action toward improving the conditions of Canadian women.*