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### **Reducing Poverty and Promoting Social Participation ?**

Benefits and Limitations of Measures for the Activation  
of Employment and Occupational Integration Services  
for People with Disabilities in Québec

by

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'Disabling Poverty and Enabling Citizenship'*

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## Foreword and Acknowledgement

In 2008 a Community-University Research Alliance (CURA) under the leadership of professor Michael Prince, University of Victoria, and Yvonne Peters, of the Council of Canadians with Disabilities (CCD), set out to investigate disability policies in Canada in an effort to ameliorate their architecture. Several other academic researchers and disability organizations from across the country completed this research partnership. Of utmost importance to partners involved in the alliance were issues regarding the application of article 15 of the Canadian Charter of Rights and Freedom and the impact of social security programmes, from both public and private sources, on the reduction of poverty and the empowerment of disabled people. With respect to the social policy issue, our team at LAREPPS was asked to develop a framework on the province of Québec and to contribute to a comparison of the poverty situation across provinces and of means to reduce it.

Two research assistants at the École de travail social of UQAM, Isabelle Morissette and Léonie Archambault, and an economist, François Aubry, helped us with the fine tuning of our theoretical and methodological tools and also participated in discussions with our partners out of Québec. Our team produced original data about programmes and services aiming at facilitating the integration into the labour market of disabled people presenting either mental health problems, physical or intellectual disabilities. In this report, we are singling out such results as well exploring the outcomes of newly implemented income supports following the *The Québec Act to Combat Poverty and Social Exclusion*, also known as Bill 112<sup>1</sup>, and the National Strategy for Labour Market Integration and Maintenance of Handicapped Persons. We are currently investigating how various associations and advocacy groups assess those policies and measures and their impact on poverty reduction among disabled communities (report forthcoming).

The analytical standpoint that LAREPPS has promoted within various CURA projects over the past ten years insists on the importance of conceiving programmes and policies as a leverage for social participation. Our position is in concordance with the principle that « work is a powerful vector of social participation, both for the population at large and for disabled persons »<sup>2</sup> which lies at the heart of the strategy put forward by the Office des personnes handicapées du Québec (OPHQ). The research material we have borne during the current CURA project therefore points out the particular character of the situation in Québec in comparison to other Canadian provinces. Indeed, our partners showed great interest in learning more about how the social and political movements have unfolded in the aftermath of Bill 112 and the impact of the latter on the disabled community. They also wished to maintain a focus on income security plans as they bear heavily on the living conditions of those who are unable or less likely to find jobs on the

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<sup>1</sup> A report is available on CCD's website. See : Aubry, François, *The Québec Act to Combat Poverty and Social Exclusion: How Does it Tackle the Situation of People with Disabilities ?*, August 16, 2010, Council of Canadians with Disabilities, Social Policy / Disabling Poverty-Enabling Citizenship (CURA) / Recent Work <<http://www.ccdonline.ca/en/socialpolicy/poverty-citizenship/income-security-reform>>

<sup>2</sup>Office des personnes handicapées du Québec (2007). *La participation sociale des personnes handicapées. Le travail*, Québec, [s.l.], p.25

labour market. In that respect, their analysis leans more towards how the federal government can get involved and is also reflected in their collaboration with the Caledon Institute in the development of a proposal for an income plan for people with severe disabilities<sup>3</sup>.

This CURA project is interested in policies regarding people with disabilities and ways for their improvement. The theoretical and practical perspectives that guide the team's work originate from two catchy expressions: "Disabling Poverty and Enabling Citizenship". Our partnership should be delivering its final research reports and recommendations at the end of 2012.

We acknowledge the support of the Social Sciences and Humanities Research Council of Canada who finances our partnership team. We would also like to thank our close collaborators on the Social Policy and Income Security research theme within CURA : Laurie Beachell of the CCD, Michael Bach and Anna Macquarrie of the Canadian Association for Community Living, and Michael Prince. This paper was translated from French by Marie-Elaine Michaud.

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### **Abstract**

As part of the pan-canadian research alliance "Disabling Poverty and Enabling Citizenship", our Québec team has chosen to investigate more purposefully measures that activate the social participation of disabled people rather than income security programmes alone. This approach coincides with a series of research papers LAREPPS produced over the past ten years in the field of disability policy and about the role of the third sector in designing social policies and providing social services. In this endeavour, our partners across Canada pressed us to examine critically the actual outcomes derived from the implementation of measures of activation and their impact on the living conditions and earnings of disabled populations.

The question underlying this research report runs as follows : can labour market integration both stimulate citizenship and enhance the earnings and living conditions of disabled people ? To answer that question we first embarked on a review of key policies and measures (both federal and provincial) for promoting the occupational insertion of people who are currently away from the labour market – focusing on measures dedicated

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<sup>3</sup> Michael Mendelson, Ken Battle, Sherri Torjman et Ernie Lightman. (2010). *A Basic Income Plan for Canadians with Severe Disabilities*, Toronto, Caledon Institute of Social Policy, November, 75 p.  
<http://www.caledoninst.org/Publications/Detail/?ID=906&IsBack=0>

to people with disabilities. Then, to better understand the concrete impact of these policies and programs, we conducted interviews with representatives of three SSMOs<sup>4</sup> (nonprofit specialized employment services) in Montréal and we sketched out a series of scenarios which allowed an assessment of the benefits and limitations relating to income security and to employment. Finally, we delivered a series of analytical comments linking the collected data with certain elements of literature taking into account both the micro and macro social issues involved in disability policy in Québec.

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<sup>4</sup> SSMOs are non-profit organizations providing specialized services for integrating disabled people into the labour market. These organizations from the third sector are funded by Emploi-Québec and work in partnership with the latter.



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## **Introduction**

This document fits within the context of a Community-University Research Alliance (CURA) coordinated from the Council of Canadians with Disabilities (CCD), entitled “Disabling Poverty and Enabling Citizenship”. Within this Canadian research group, our Québec team chose to give particular attention to active measures which stimulate the social participation of persons with disabilities. This field of interest is not foreign to our belonging the LAREPPS (Research Laboratory on Social Practices and Policies), in which several works relating to social integration have been carried out in recent years. As such, we attach a lot of importance to the statement made by the OPHQ (Québec Board of Handicapped Persons) that “work is a powerful vector for social participation, for both the general population and for persons with disabilities”<sup>5</sup> (OPHQ, 2007). Thus, by leaning on the efforts of the OPHQ (Québec agency for persons with disabilities), St-Germain (2010), Dumais, Prohet and Mailhot (2007) and several others, we set out on this work with the conviction that employment may play an important role in the process of social integration. However, an essential question still needs to be carefully observed: if employment can promote the civic participation of people with disabilities, can it also contribute to improve their financial conditions?

To answer this question and to refine our understanding of issues relating to the employment of people with disabilities, we first conducted a review of key policies and measures (both federal and provincial) for promoting the occupational insertion of people who are currently away from the labour market – focusing on measures dedicated to people with disabilities. The first section of this document provides an overall view of these policies and measures. Then, to better understand the concrete impact of these policies and programs, we conducted interviews with representatives of three SSMOs<sup>6</sup> (specialized employment services) in Montréal. The presentation of these organizations and the data which came out of these interviews is offered in the second portion of the document. In the third section, we propose a series of scenarios which allow an assessment of the benefits and limitations relating to income security and to employment. Finally, the fourth section of the document will be dedicated to the linking of the collected data with certain elements of literature – around an analysis which takes into account both the micro and macro social issues involved.

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<sup>5</sup> Quotation originally in French.

<sup>6</sup> SSMOs are non-profit organizations providing specialized services for integrating disabled people into the labour market. These organizations from the third sector are funded by Emploi-Québec and work in partnership with the latter.



## **1. Policy Directions, Programs and Measures**

Among the highlights of recent Québec social policy history, the Act to Combat Poverty and Social Exclusion (Act 112) is of undeniable interest – not only in terms of its construction process, but also because of the practical impacts that resulted from it. Passed in 2002, Act 112 “was preceded by, or perhaps born from, a movement which spread over several years and brought together community organizations as well as women’s and citizens’ groups, all motivated by a desire to lay the foundations of a poverty-free Québec. As a result of exceptional mobilization and a well-structured consultation process in which people in poverty have consistently been associated, the act makes ample room for concerns which have been brought by the community sector in Québec for over a decade”<sup>7</sup> (Aubry, 2010). Act 112 “aims to guide the government and all of Québec society towards planning and implementing actions which fight poverty, prevent its causes, mitigate its effects on individuals and families, counter social exclusion and generally strive towards a poverty-free Québec” (Québec Government, 2002). The Act establishes a national strategy to combat poverty and social exclusion, urging the government to produce an action plan in this regard.

In 2008, the MESS (Department of Employment and Social Solidarity) proposed to establish or to improve a variety of programs and measures for promoting links between the labour force and labour market’s needs by means of the *Pacte pour l’emploi* (employment pact). The premise behind the project, as stated by the government, was “Work is the best guarantee of individual and collective prosperity”<sup>8</sup> (MESS, 2008a).

The National Strategy for Labour Market Integration and the Maintenance of Handicapped Persons, filed in 2008, is associated with the *Pacte pour l’emploi* in the sense that it “constitutes a kind of extension for people with disabilities”<sup>9</sup> (MESS, 2008b).

Despite sharing the principles proposed by the Canadian policy *À l’unisson* (accessibility, inclusion, services, integration at work), Québec has chosen to follow up on its own pioneering global policy *À part... égale*, published in 1984. As a result, *À part entière : pour un véritable exercice du droit à l’égalité* was produced in 2009, proposing an entirely new concept of social participation. The picture presented by OPHQ in the context of this policy reveals that the situation of those with disabilities and their families remains to be improved in several regards. Among other issues, *À part entière* highlights that, in comparison with the rest of the population, the employment rate found amongst this group is twice as low. The policy also highlights the heightened risk of poverty which is associated with the additional costs incurred through disability (OPHQ, 2009).

Finally, note that in 2003, all provinces except Québec concluded the Labour Market Agreements for Persons with Disabilities (LMAPD) based on a multilateral framework, for which the Canadian Government is committed to paying 50% of all annual expenditure incurred by the programs and services of provinces and territories. Québec has not endorsed the multilateral framework, although it does support the general principles which underlie it. As a result, it concluded in 2004 the Canada-Québec Agreement Regarding the Participation of Handicapped Persons in the Labour Market, which commits the federal government to 50% of costs incurred and also binds it, still today, to financing the operations of Emploi-Québec (employability assistance for people with disabilities).

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<sup>7</sup> Quotation originally in French.

<sup>8</sup> Quotation originally in French.

<sup>9</sup> Quotation originally in French.

Now will be examined the major programs established in recent years which aim to improve the employability of people outside of the labour market (in this case, people with disabilities). Some measures follow on from the policy directions outlined above, whereas others were established within other contexts. The following text will cover the details and also an analysis of these measures. A summary table is also available in the appendix.

### Programs and Initiatives of Emploi-Québec

The **Contrat d'intégration au travail (CIT)**, employment-integration contract), formerly managed by the OPHQ and administered by Emploi-Québec since 2001, offers grants which are organized in eight categories (salary support, workstation accessibility, role adjustment, capacity assessment, required interpretation, salary compensation for medical treatment, required assistance and other special considerations). In particular, note that salary support can be granted to an employer so as to offer financial compensation up to 85% of the relevant employee's salary. With the National Strategy for Labour Market Integration and the Maintenance of Handicapped Persons, a \$16.4 million raise can be expected over five years to the \$24.5 million-budget allocated to the CIT in 2008 (MESS, 2008b). This measure, which is widely used by employment agencies for persons with disabilities, is – as can be seen in Dumais, Prohet and Mailhot (2007, p. 71) – a useful tool in promoting the hiring of people from outside the labour market.

The **Programme de Subventions aux entreprises adaptées (PSEA;** Subsidy program for adapted enterprises) was transferred from the OPHQ to Emploi-Québec in 2006. Adapted businesses hire at least 60% of people with disabilities and provide them with useful and remunerative work. The creation of 825 new jobs in adapted businesses through the National Strategy for Labour Market Integration and the Maintenance of Handicapped Persons involves the injection of \$33.5 million over five years. The annual budget in 2008 was already \$50 million (MESS, 2008a). A study by Proulx et al. (2006) allows us to see that people with intellectual disabilities are the most represented in adapted business. They currently make up 43% of workers in such workplaces.

**Programmes d'aide et d'accompagnement social (PAAS;** Social assistance and support programs) were established in 2006-2007 and fall within the legal frameworks of the Act to Combat Poverty and Social Exclusion and the Individual and Family Assistance Act. The *Devenir* (Becoming) and *Interagir* (Interacting) initiatives have been put in place to help people who are not yet ready to enter the labour market. Such measures mainly apply to the beneficiaries of the Income Security and Social Solidarity Programs. PAAS allows participants to receive \$130 per month in addition to their usual allowance, and also enables host organizations to receive a grant of \$150 per month per participant. It should be noted that while the *Devenir* initiative is intended to prepare the participant for joining a further initiative or program offered by the Public Employment Services, the *Interagir* program is addressed to those who are most distanced from the labour market, aiming to develop the participant in both personal and social terms. However, “participants to the *Interagir* program must still be part of a progression towards employment; the program [is] not designed so that people can benefit ‘for life’”<sup>10</sup> (Proulx and Dumais 2010).

The Emploi-Québec **Subvention salariale** (Wage subsidy) initiative falls under active policy towards the labour market, and is financed by the Labour Market Development Fund. This program is not specifically addressed to persons with disabilities, but instead to people who are having more general difficulties in integrating with the labour market. It consists of a grant that

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<sup>10</sup> Quotation originally in French.

may be renewed for a maximum period of 52 weeks. Under the framework of the *Pacte pour l'emploi Plus* (2009), an additional \$21.1 million (including \$10 million from private funds) will be invested in this initiative over a period of two years. Proulx and Dumais (2010) show that this initiative is used by several programs operating in the field of disabled persons' employability.

The **Supplément de retour au travail** (Return to work supplement) initiative was introduced in June 1998. It consists of financial assistance to the value of \$500, and is aimed at helping beneficiaries of the Last Resort Financial Assistance and Employment Insurance programs who get a full-time job to pay expenses relating to their entry into the labour market. If this initiative is interesting in terms of its employment incentive, many complain that it is not accessible to those who enter the labour market with the help of a CIT or who gain a position in an adapted business. This restriction makes it less accessible to people with disabilities.

The **Prime au travail** (supplement to the work premium) was established in January 2005 and replaces the APPORT (parental wage assistance) program. It is a refundable tax credit, with the amount given determined by work income and personal and family status. This program is addressed to individuals or families with low incomes (for example, a single person is eligible if his annual work earnings are between \$2,400 and \$15,343.80). The maximum refundable tax credit for a single person is \$532.98. This initiative is not specifically addressed to people with disabilities, but a similar program was established in 2008 as part of the National Strategy for Labour Market Integration and the Maintenance of Handicapped Persons for those who have a severe constraint on their employment. The **Prime au travail adaptée** (Adapted work premium) also comes in the form of a refundable tax credit with the amount given determined by work income, family income and family status. The applicant or their spouse must be recognized as having a severe constraint to their employment. This program is also addressed to individuals or families with low incomes (for example, a single person is eligible if his annual work earnings are between \$1,200 and \$22,837). The maximum refundable tax credit for a single person is \$1,024.92. It should be noted that the two premiums cannot be combined. Both make the work of low-income earners more profitable – and therefore more attractive. Where they can be paid in advance, the premiums may appear as an incentive to labour market integration. When requested in the context of an income tax return, the premiums can be an incentive for continued employment.

Included in the *Pacte pour l'emploi Plus*, the **Supplément à la prime au travail** (Work premium supplement) has been in effect since 2008. This refundable tax credit of \$200 per month aims to help former beneficiaries of a last resort financial assistance program to maintain employment. This initiative, which is valid for a maximum period of twelve months, has proved to be highly appropriate as an incentive to employment.

#### Program Covered by the Treasury Board Secretariat and the CSPO (Québec Shared Services Centre)

The **Programme de développement de l'employabilité à l'intention des personnes handicapées (PDEIPH)**; Program for developing the employability of handicapped persons) is integrated within the *Plan d'embauche du Gouvernement du Québec pour les personnes handicapées* (Government of Québec hiring plan for disabled persons), adopted in 1984. This program of employability development offers casual employment (twelve months) in the Québec public services and offers participants the chance to get a job in the department or agency where the program was completed upon finishing. The program has been criticized by some of those involved who emphasize the participants' limited chances of getting a job at the program's end.

### Program Covered by the Canada Revenue Agency

The **Working income tax benefit** (WITB), established in February 2007, comes in the form of a refundable tax credit for low-income workers whose working incomes are above \$3,000. The benefit amount is calculated based on income. As it may be paid in advance or requested as part of the income tax return, the benefit acts as an incentive to both employment integration and continuation (Dumais and Morrissette, 2009).

### Program Covered by the Human Resources and Skills Development Canada (HRSDC)

The **Opportunities Fund for Persons with Disabilities** is investing \$30 million per year in Canada to help people with disabilities to prepare for employment, to integrate within the labour market, to become self-employed or to acquire skills in socio-professional terms. The fund provides financial assistance to individuals as well as to employers and agencies. In Québec, the individual component of this initiative is managed by Québec-Sphère, while its collective aspect is managed by Service Canada (Proulx and Dumais, 2010). The funding available through the Opportunities Fund for Persons with Disabilities is used by those services which specialize in employment assistance to supplement Emploi-Québec initiatives, specifically in special cases for which flat-fee funding does not cover expenditure (Dumais and Morrissette, 2009).

This overview of key policies and initiatives which have changed the landscape of disabled persons' employability in recent years has helped to give a clear, understandable impression of the context and tools available to agencies working in the field of disabled persons' employability. Next will be assessed the data collected during interviews with three Services spécialisés de main-d'œuvre (SSMO; services specializing in labour) based in Montréal, enabling a more accurate reading of the situation in this field.

## **2. Services Specializing in Labour for Persons with Disabilities: State Partners in the Field of Employability**

Before presenting the organizations encountered and the data from the interviews conducted, it seems appropriate to set the historical context in which community groups specializing in the field of employability have emerged, as well as covering events which led to their current relationship with the State as "external resources". This overview will allow not only a better understanding of the issues which impact how these agencies operate, but will also support the thinking and analysis proposed below.

### The Non-Profit Sector in the Field of Occupational Integration

In the 1980s, Canada was called to reform its welfare system in terms of employment and social assistance. It is within this context that a transfer of responsibilities to the provinces was made so that they could establish a system of service delivery within the framework of the active initiatives proposed by the reform (Shields, 2010). In 1997, the ratification of the Entente de principe Canada-Québec relative au marché du travail (Agreement-in-principle for the Canada-Québec Labour Market) gave the Government of Québec authority over labour program management. In 1998, Emploi-Québec, a new paragonovernmental entity, was created with the mandate of updating a new service structure based on partnered, decentralized and result-oriented management (Shields, 2010).

In this context of reform implementation by the provinces, it is interesting to note that, as pointed out by Gorlick and Brethour (1998, cited by Larose et al., 2005, and Shields, 2010), Québec stands out for mostly relying on the non-profit sector to implement its employment policy. This Québec-specific trait is not surprising when it is considered how the community sector had collaborated with State in the field of employability on previous occasions in this region. In fact, experiments in social economy within this field have been developed since the early 1980s, earning recognition and financial support from both levels of government (Larose et al., 2005).

Following its creation in 1998, Emploi-Québec has taken on the service agreements which previously linked provincial and federal governments to agencies. They are therefore qualified as partners within a new model of responsibility sharing between the governmental, private and voluntary sectors (Shields, 2010). In reality, however, it is possible to question the partnership style which characterizes the relationship between Emploi-Québec and the employability agencies designated as “external resources”. Such consideration will then be developed in the fourth part of this document.

For now, the issues relating to the intervention and administration of some of these external resources (three services specializing in labour for people with disabilities) will be considered, based on information obtained from the representatives met.

#### Presentation of Three SSMOs in Montréal for People with Disabilities

In order to reach to a better understanding of the issues relating to employment for persons with disabilities in Québec, we found it useful to speak to agencies involved with this clientele. The SSMOs for people with disabilities work with their participants and with employers, as well as in partnership with other parties in the health and social services<sup>11</sup> to promote the occupational integration of handicapped persons. They are financed by Emploi-Québec in the form of fixed-cost funding. The information was gathered as part of semi-structured interviews with informants associated with three SSMOs located in Montréal – as well as by reading the 2008-2009 annual reports. Together, these allow the portrayal of statistics which can help to better base future agency intervention. The information presented below is also available in the appendix in table form.

#### *L'ÉTAPE*

The clientele of this agency consists of 70% with physical disabilities and 30% with deafness. For the year 2008-2009, L'ÉTAPE admitted 232 clients. Of these, 105 found a job (including 53% without a wage subsidy) and 55 were directed to employability development programs. The average salary for users who got a job thanks to the agency is \$13.20/hour. 75% of the clientele who got a job are now working on a full-time basis (30 hours or more per week), while 25% are working part-time (less than 30 hours). For the year 2008-2009, 35% of clients who were referred to L'ÉTAPE were beneficiaries of income security, 24% had no income, and 19% were beneficiaries of employment insurance. The main tools used by this SSMO to promote the occupational integration of their clients are the CIT, positions in adapted businesses, social assistance and support programs, wage subsidies [rarely], and the PDEIPH (employability development program for handicapped persons) [sometimes].

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<sup>11</sup> If a working partnership with the health and social services network can, in principle, be developed, it seems that, in reality, an alignment between health professionals and employment support service agents is not always easy.

*Action main-d'œuvre, Inc.*

This organization is composed of two distinct services: *Action Main-d'œuvre* (AMO) and *À l'emploi!* AMO is addressed to a clientele with intellectual disabilities. Of the 225 clients admitted in the year 2008-2009, 120 found a job and 12 were directed to a labour market preparation initiative. For the same period, those who got a job with the help of AMO earned an average salary of \$9.59/hour, with the majority working on a full-time basis. The clientele admitted to AMO in 2008-2009 consisted of 42% of people without income, 34% receiving Social Solidarity benefit (due to a severe constraint on their employment), 14% receiving income security, and 10% unemployed and receiving an employment insurance check. The main tools and programs used by AMO to facilitate the occupational integration of their clients are the CIT, positions in adapted businesses, the Opportunities Fund for Persons with Disabilities, and the Emploi-Québec wage subsidy.

For the *À l'emploi!* program, the clientele is made up of individuals with a pervasive developmental disorder (PDD). Of the 52 clients admitted in the year 2008-2009, 27 were posted in employment and 1 was directed to a labour market preparation initiative. The clientele who got a job received an average salary of \$11.38/hour and worked on a full-time basis in 82% of cases. Upon their arrival in the program, 41% of participants were receiving benefits from Social Solidarity (due to a severe constraint on their employment), 39% had no income, 14% already had income from employment, and 4% were receiving an employment insurance check. The main tools used by the *À l'emploi!* program to promote the occupational integration of their clients are the CIT, positions in adapted businesses, the Opportunities Fund for Persons with Disabilities, the Emploi-Québec wage subsidy and the PDEIPH.

*L'Arrimage*

This agency serves clients with diagnosed mental health disorders. For the year 2008-2009, 38% of users suffered from schizophrenia, 25% had mood disorders, 19% were suffering from other psychoses, 7% had an anxiety disorder, and 6% had a personality disorder. Of the 370 admissions for the year 2008-2009, 238 participants were placed in employment and 41 were directed to labour market preparation initiatives. The average salary for users who received a job was \$10/hour, and 53% of them are working on a full-time basis (30 hours or more per week). The clientele admitted to the program that year consisted of 41% receiving Social Solidarity benefits (due to a severe constraint on their employment), 23% with no income, 19% receiving income security, and 8% receiving an employment insurance check. The main tools and programs used by the agency to promote employability are the CIT, positions in adapted business and the social assistance and support programs.

Presentation of Qualitative Data Collected in Interviews

Besides the quantitative data presented above, the interviews conducted with SSMOs allowed qualitative data to be taken through the views of interviewees. First, in terms of SSMO funding, respondents saw as positive the new method of fixed-cost grants supported by Emploi-Québec. Some pointed out that this new financing method encourages collaboration and reduces the red tape burden. With Sections 4 and 7, the SSMOs receive funding for job placements and maintenance according to their targets (number of clients). According to some, the funding for

continued employment is financial recognition from Emploi-Québec for services which were already provided without being subsidized.

The respondents who were interviewed about the impact of the National Strategy for Labour Market Integration and the Maintenance of Handicapped Persons underline that there is now more of a budget available for the CIT and for renewals. One of the respondents said:

“With the strategy, there is more money for the CIT, there are more jobs in adapted businesses, and the disabled person becomes a priority for Emploi-Québec.”

Regarding interviewee opinion about the economic conditions created by job entry for beneficiaries of Social Solidarity, the answers are mixed.<sup>12</sup> One of the interviewees claimed to be bothered by the question. This person underlined the fact that users who get full-time jobs can earn an income three times higher than their welfare checks. However, that respondent also stated that doing so would not necessarily mean that they get out of poverty. Another respondent presented his opinion as follows:

“These are exceptions when you go look at the situation and say, ‘Look, there’s nothing to do in your case; it’s not paying to work’. It’s becoming less of an exception because – due to the issue over drugs – there’s government insurance available for everyone”.

Finally, here is what a third respondent said about the economic situation of disabled people who leaves social assistance:

“It’s not worthwhile to work part-time; you don’t gain [financially] when you’re on assistance. [...] Yes, it’s true that working for the minimum salary doesn’t pay off – that’s true, except that if you never start to work, ten years later, you won’t get your fifteen dollars per hour. You have to start somewhere”.

During interviews, we asked respondents whether they believe that the programs and initiatives in place encourage persons with disabilities to integrate within the labour market. First, respondents discussed the decision of the Treasury Board to exclude workers hired by an adapted business or with the help of a CIT of the **Return to Work Supplement** initiative. Respondents unanimously pointed out the disincentive and discriminatory nature of this decision.

Another disincentive to employment which was mentioned by more than one respondent lies in the complexity of steps required to recover income security if occupational insertion results in failure. Anxiety generated by the fear of landing without any income for a while may be enough to make some people give up their efforts to quit Social Solidarity.

Finally, one interviewee said that the loss of a “claim booklet” which income security beneficiaries are entitled to may also be, in some cases, a disincentive to employment. He states that in 1997, an initiative was established to enable people with a severe constraint on their employment to keep their claim booklet<sup>13</sup> when they quit income security – provided that their work incomes were below \$1,500 per month. At that time, the minimum salary was below the mark of \$7/hour. However, if it is considered that in 2010 the minimum salary was \$9.50/hour,

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<sup>12</sup> The graphs and tables in the appendix summarize the conclusions that we ourselves have drawn from the elaboration of hypothetical scenarios.

<sup>13</sup> The claims booklet allows you to obtain free prescription medications and certain services, such as eye exams and dental care.

few people still benefit from the initiative today. Indeed, although the \$1,500 ceiling has remained unchanged since 1997, the minimum salary has meanwhile increased by about 30%. As such, this initiative is not the same incentive as it was when it was established.

On a more positive note, one of the interviewees claimed that, in his opinion, the initiatives and combination of initiatives offered are generally good, and that they may be incentives when they are well-known. According to this person, a disincentive is the fact that people do not always reach employment because they calculate their potential earnings with incomplete or incorrect information. As such, they may have the impression that it is not advantageous for them to work – which can be proved false.

In this regard, it is interesting to note that some respondents stated that they were not entitled to help their clients get, or even find out about, certain tax measures which could allow them to improve their employment income.

To conclude, it is pertinent to note that, as one respondent pointed out, if it may be disadvantageous to work part-time at the minimum wage, there are social assistance and support programs which can allow some people to improve their conditions without losing their gains – while participating in a project and developing certain skills.

#### Synthesis of Collected Data

Conducting interviews with SSMOs and reading their annual reports has given an improved understanding of what the reality of employability may look like for persons with disabilities in Montréal. The compiling of data collected from three organizations allows us to notice that almost 68% of the 879 users who have requested the help of these three SSMOs managed to get a job or participate in an employability development program. The average salary for those who found a job in 2008-2009 was of about \$11.04/hour, which stood more than \$2 above the minimum salary at that time. The majority of workers were employed full time (more than 30 hours per week). Finally, it is interesting to note that nearly half of those who called on the services provided by the SSMOs visited were beneficiaries of Income Security and Social Solidarity.

Unanimously, the people met from SSMOs considered the new funding modes of Emploi-Québec as an improvement. Respondents also approved of the supplemental budgets accompanying the National Strategy for Labour Market Integration and the Maintenance of Handicapped Persons.

In terms of the financial conditions of beneficiaries of the Income Security and Social Solidarity who are inserted into the labour market, the advent of the prescription drug plan in Québec has been identified by one respondent as a gain (an incentive to employment), while also being judged by another informant as still insufficient for people with high drug needs (a disincentive to employment). However, all respondents agreed that it was generally advantageous to quit the Social Solidarity program for a full-time job, while it was often disadvantageous for beneficiaries to work part time – especially if the job was paid at the minimum wage.

In terms of the programs and initiatives in place, respondents noted four major disincentives to employment:

- Exclusion from access to the **Return to Work Supplement** for persons employed by an adapted business or with the help of a CIT;
- Complexity of steps for recovering benefits of Income Security and Social Solidarity programs if labour market integration fails;

- Loss of claim booklet for people with a severe constraint on their employment and whose work income exceeds \$1,500/month;
- Limited or erroneous information on which some people base their decision to try occupational insertion.

In addition, all respondents perceived the PSEA (Grants to the adapted business program), the CIT and the Social Assistance and Support Programs as programs which assist the employability or social participation of persons with disabilities.

### 3. Some Concrete Scenarios

Over the previous sections of this document, some interesting measures in terms of incitement to employment and income assistance have been identified. Interviews with organizational representatives working in the field of employability for persons with disability permits the consideration that, despite the popular belief, people with disabilities can find financial advantage to integrating the labour market. In order to develop a more precise picture of potential gains or losses which may result from work income earnings for a beneficiary of the Social Solidarity program suffering from a severe constraint to their employment, a few scenarios have been created<sup>14</sup>. Tables illustrating these scenarios can be found in Appendix 2.

To do so, we first established that a single person receiving benefits from the Social Solidarity program and considered as having a severe constraint to their employment receives an income of \$10,596 per year, and may also rely on the benefits obtainable from the claim booklet. If that same person wishes to integrate with the employment market while maintaining his Social Solidarity benefits and, by extension, his claim booklet<sup>15</sup>, he can receive up to a hundred dollars a month without any cuts on his Social Solidarity check. His annual income can therefore increase up to \$11,796. Another option is to commit himself to a social assistance and support program – which is possible while still remaining a beneficiary of Social Solidarity and preserving his full benefit and claim booklet. Doing so will allow the person to receive a benefit of \$130 per month which will increase his income to **\$12,156** per year. In addition, the transport costs incurred by the participation of the person in the social assistance and support program will be reimbursed. Finally, another alternative could be signing up to a PPE (Preparation for employment program). In this case, the participant will continue to get the advantage of his full benefits and claim booklet. He will receive an additional benefit of a minimum of \$180 per month, and his transportation costs will be reimbursed. His annual income will therefore total **\$12,756**.

Now let's consider what conditions our fictional beneficiary will be facing if he quits the Social Solidarity program to integrate with the labour market through the help of a CIT or a position in an adapted business. To avoid depicting an overly optimistic estimation, we will assume that his hourly salary is \$9.50<sup>16</sup>. By working part time, say 20 hours a week, his gross annual income will raise by up to \$9,880<sup>17</sup>. An amount of up to \$1,020<sup>18</sup> in adapted work premiums for people who have received social assistance benefits in the past five years could be added to this total. The ex-

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<sup>14</sup> We have not taken into account all of the existing fiscal measures. We have focused mainly on work incentive measures for people with disabilities.

<sup>15</sup> The claims booklet allows you to obtain free prescription medications and certain services, such as eye exams and dental care.

<sup>16</sup> Minimum hourly rate in 2010.

<sup>17</sup> Although this gross amount is normally reduced by about 12% in taxes, we chose to leave it as is because many non-refundable tax credits, not considered in our calculations, are applicable.

<sup>18</sup> Maximum adapted work premium for a single person.

beneficiary of a last resort financial assistance program will also receive, during his first twelve months of work, a supplement to the work premium to the value of \$2,400 over the year. In addition, the working poor will benefit from the Working Income Tax Benefit (WITB). In this case, the Canada Revenue Agency's "Working Income Tax Benefit Calculator" allows us to estimate the refundable tax credit level for this person at \$1,587<sup>19</sup>. Thanks to these assistance measures, the available income for an ex-beneficiary of the Social Solidarity program in the first year of his integration into the labour market is up to **\$14,887**. Moreover, the worker preserves his claim booklet, since he can keep it for up to five years after quitting the Social Solidarity program if his monthly income does not exceed \$1,500. It should be noted that after the first year of employment, the worker will lose his supplement to the work premium (\$2,400) while his WITB increases slightly. Assuming that he still works 20 hours a week at a salary of \$9.50/hour, his income will decrease to about **\$12,932**. After five years in employment, the worker will also lose his adapted work premium – which could be replaced by the regular work premium<sup>20</sup>. If he is still working for \$9.50/hour for 20 hours a week, his income would now be around **\$11,945**. Furthermore, even if he has lost his claim booklet, he may apply for a refundable tax credit and a refundable medical expense supplement to get, in principle, up to a maximum of \$2,073 in compensation.

Let's now consider a scenario in which our beneficiary would quit the Social Solidarity program for full-time employment (35 hours a week) at the minimum wage (\$9.50/hour). He would immediately lose his claim booklet because his monthly income would exceed \$1,500. However, he would be eligible for both the refundable tax credit and the refundable medical expense supplement – by which he could in principle collect up to \$2,073 in compensation. His work income would therefore rise to \$17,290 of gross income<sup>21</sup>, to which would be added the adapted work premium, the premium work supplement<sup>22</sup> and the Working Income Tax Benefit<sup>23</sup> for a total of up to **\$21,015**. Nevertheless, during the second year of employment, the ex-beneficiary would lose his supplement to the work premium while his Working Income Tax Benefit would increase. Assuming that he still works full time at the minimum wage, he could count on an income of about **\$19,095**. Finally, after five years of employment, the worker would lose his adapted work premium, but could instead apply for the regular work premium. In the event that he receives the maximum work premium and by again estimating his working income tax benefit through the calculator on the Canada Revenue Agency's website, we may assume that his annual income would be approximately **\$18,144**.

What observations can be taken from an analysis of the developed scenarios concerning a beneficiary of the Social Solidarity program who is considered as having a severe constraint on their employment – particularly about the advantages and disadvantages of an occupation insertion attempt?

First, we can establish that a beneficiary can improve his income conditions by earning a total of \$100 a month without incurring the risk of losing any gains. This activity gives him access to an additional \$1,200 per year, which is not a negligible sum.

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<sup>19</sup> This amount was estimated assuming that the candidate is not eligible for the disability amount.

<sup>20</sup> The maximum work premium for a single person is about \$532.

<sup>21</sup> Although this gross amount is normally reduced by about 28% in taxes, we chose to leave it as is because many non-refundable tax credits, not considered in our calculations, are applicable.

<sup>22</sup> The adapted work premium can reach \$1,020 for a single person.

<sup>23</sup> The supplement to the work premium is \$200 per month (or \$2,400 per year).

We can then observe that participation in such initiatives such as the social assistance and support or preparation for employment programs is of interest, since it allows the recipient to earn up to an extra \$2,160 per year. This amount is not diminished by the transport costs associated with activity since they are reimbursed. The participant preserves the security given by his regular benefits in the event of an abandonment of the program. He also keeps the claim booklet which clears his need to pay for certain drugs and services.

The issues become more important when the beneficiary decides to leave the Social Solidarity program to live on his earnings. As we have observed through the claims of those interviewed in SSMOs, the fear of professional failure causing a loss of income may give rise to insecurity amongst those who abandon their beneficiary status. It appears that the slowness of procedures to recover benefits in the case of job loss can leave individuals in a state of precariousness for a while. Moreover, the loss of the claim booklet also presents itself as a source of anguish, since some people may have to pay large sums for drugs and other treatments and services. To better understand the issues of booklet loss and the costs associated with drugs, here will follow a brief examination of how the drug insurance system is structured in Québec.

All persons residing in Québec must be covered by a drug insurance plan. People who have access to private insurance (usually through their workplace, spouse or parents) must subscribe to one. People who do not have access to a private drug insurance plan should and must subscribe to the public plan administered by the RAMQ (Québec Health Insurance Board). The annual premium that will have to be paid by participants to the public plan varies from 0 to \$600 depending on family income. When they get to a pharmacy to fill their prescriptions, public plan members are expected to pay a monthly fee of \$16 and also a monthly 32% coinsurance fee totalling the cost of the prescription minus the initial monthly fee. For example, for a drug costing \$60, coinsurance will total \$14.08. However, it is very important to note that there are monthly and annual limits on the contributions required by participants in the public system. Indeed, unless altered by exception<sup>24</sup>, people will pay a maximum of \$80.25 per month and \$963 per year for the purchase of drugs. In terms of private plans, the premium may vary since it is fixed by the insurer. However, the maximum annual contribution is the same as for the public plan – namely \$963. Without the monthly limit, it is possible that the costs would be difficult to meet during the first months of the year before the annual limit is reached. In the light of this information on drug insurance plans and the costs associated with them, some conclusions can be drawn. First, it appears that a participant to the public drug insurance plan can, in principle, have to pay up to a maximum of \$1,563 per year in medication costs. Secondly, it is impossible to assess the costs incurred by people insured by private plans, because if the deductible and coinsurance fees are controlled by a limit, the premium may vary. Finally, the possibility of having to obtain a drug that is not reimbursed by the plans (either public or private) is a constant threat to ex-beneficiaries of Social Solidarity who become workers – creating an understandable sense of insecurity.

When we address the issues relating to the loss of the claim booklet for ex-beneficiaries of income security, we think not only of the costs incurred in the purchase of medicines, but also those associated with dental care, eye examinations and services linked to the condition. For the working poor, the investment of sums in excess of two thousand dollars per year in medication and other essential care can be a disincentive to job continuation.

Returning to the scenarios developed above, as we have observed, a former beneficiary of a Social Solidarity program who works for 20 hours per week for the minimum wage may, for the

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<sup>24</sup> We have estimated this benefit to be about \$305 through the WITB calculator available on the Revenue Canada site.

first years of his employment, significantly improve his financial conditions while also maintaining his claim booklet. However, after five years of employment, the worker will lose his booklet and his income could be, if he has maintained the same conditions of employment (\$11,945 per year), only \$1,349 more than what he received in benefits from Social Solidarity. In addition, this might not suffice, as calculated above, to compensate for the loss of the booklet. However, we may assume that after five years of employment, the worker will have acquired work experience which could have led to a salary increase. If he now earns an hourly rate of \$10.50 – a dollar more than upon his arrival on the labour market – his annual revenues could reach \$13,004. While still relying on the refundable tax credit and medical expense supplement, this might allow him to absorb the costs related to the loss of his booklet while also keeping a more advantageous financial position than that which he received as a Social Solidarity beneficiary.

If it is determined that part-time work may, in the specific developed scenario, allow a beneficiary of the Social Solidarity program to improve his financial conditions, there can be no doubt that working full-time would allow the same beneficiary to greatly enhance his financial situation (we estimate his income to be \$21,015 for the first year he works at the minimum wage). Nevertheless, we assume that for many people suffering from a severe constraint to their employment, a full-time work schedule cannot be considered. Indeed, we recognize that, in many cases, the person with disability is subjected to constraints, such as the need to receive special care or to allocate more time than is standard to daily activities (personal hygiene, eating etc.). Although in the SSMOs visited it was found that the majority of clients integrated in employment were working full-time, it should not be overlooked that this option is not always possible.

The assessment of programs and initiatives affecting the field of employability for disabled persons, which has been carried out from a fictitious case and using potential scenarios can obviously not allow any conclusions to be drawn which can be generalised. As a result of the time and resources available, we have only explored a single case. However, as every person and situation has its own set of characteristics (family background, medical, physical or mental limitations, social network, etc.), it would be impossible to repeat the same exercise for each specific case which may exist. In addition, we took the liberty of estimating financial issues relating to employment for disabled people despite our lack of expertise in fiscal matters. As such, our calculations do not take into account the various non-refundable tax credits which were established to offset the additional costs incurred by disabled people or to encourage them to integrate within the labour market (for example, federal and provincial deductions for medical expenses, the severity and period of a handicap, goods and support services and tax credits, etc.). In this context, we can only assume through our calculations and the observations reported during interviews with SSMOs that employment (especially on a full-time basis) may, in some cases, be an avenue for allowing disabled beneficiaries of the Social Solidarity program to improve their financial conditions.

#### **4. The Role of Third Sector Organizations in the Field of Employability for Persons with Disabilities: State Partners or Single Agents?**

In the previous sections, we demonstrated that there are public policies and programs which promote occupational integration for people with disabilities through financial incentives for both workers and employers. We also identified through interviews conducted with SSMOs that the rate of job placement as well as working and income conditions reveal the presence of opportunities for disabled people who wish to enter into the labour market. We have then corroborated this information through the scenarios developed in Section 3. Finally, those in

SSMOs testified to improvements not only in terms of new financing methods, but also on the issue of partnership relations, with Emploi-Québec. This last point is particularly challenging, and is why we will focus in this section on a more precise assessment of the role occupied by SSMOs within the organization of services in Québec.

At the Laboratoire de recherche sur les pratiques et les politiques sociales (LAREPPS; research laboratory for social practices and policies), special attention is paid to the potential role which organizations associated with social economy (the third sector) can play in democratic and innovative practices within the public services. The introduction of a new form of governance through the reform of the 1990s provides a place for the third sector, not only with regard to the implementation of policies, but also in terms of its orientation and definition (Larose et al., 2005). The partnership management mode which was established when Emploi-Québec appealed to community organizations to facilitate its employment policy in principle opens a path for them to participate in the elaboration and application of policies and programs through co-construction and coproduction processes.

We shall begin by reviewing how Vaillancourt (2009) defines the concepts of co-construction and coproduction. From there, these guiding concepts can be used to examine the data collected during our interviews and the excerpts from literature which center on the place of third sector organizations in the employability field.

**Coproduction** is cooperation which is limited to the **implementation** of public policies. The State is not the only service provider since it shares this responsibility with non-State parties. Coproduction may be carried out in collaboration with the private sector, with the third sector, or with both. However, as third sector participation in policy implementation can contribute to the democratization of public policies, it is the quality of the relationship between the State and the third sector that favours coproduction. (Vaillancourt and Laville 1998, Lewis 1999, 2004, Perstoff 2006, Proulx, Bourque and Savard 2007, cited by Vaillancourt 2009).

**Co-construction**, for its part, is deployed at the beginning of the process when public policies are designed. Co-construction can take a **neoliberal** form in cases where the State constructs public policies in collaboration with the private-sector and market-economy representatives. This type of co-construction would promote competition through market-dictated logic. There is also corporatist co-construction, characterized by an imbalanced representation of parties (labour market partners and civil society) being involved with States in designing policies. This co-construction mode gives more weight to certain groups and politicians, so policies may be tinged with special interests (Bresser Pereira and Cunill 1998, Cunill 2004, Brugués 2004, Oszlak 2007, Enjolras, 2006, Thériault 2003, Garretón 2007, Lévesque 2007, cited by Vaillancourt 2009). Finally, the solidarity and democratic co-construction which aims at the public interest is characterized by the development of policies in cooperation with economic and civil-society parties through dialogue and consultation. Even if the State retains a special status in the co-construction process (it remains the central actor and has the last word on decisions), it places itself in a close position to other parties so as to avoid being in a situation of self-sufficiency and omnipotence (Vaillancourt, 2009). Moreover, the State uses resources from several social environments based on a pluralistic vision of the economy (Levesque, Bourque and Fergues 2001, cited by Vaillancourt 2009). Democratic co-construction is also based on a compromise between participatory democracy and representative democracy (Thériault 2003, Cunill 2004, Enjolras, 2006, cited by Vaillancourt). In this sense, inclusive governance forms are adopted to foster dialogue between elected representatives and socioeconomic and socio-political representatives. It should also be noted that the democratic co-construction of public policies requires recognition of the participation of social economy parties through a partnership

relationship which allows the third sector to maintain a certain degree of autonomy while similarly avoiding being manipulated by the State (Vaillancourt, 2009).

We will now examine how using these concepts can help in analyzing the evolving role of the third sector in the employability field.

We are able to establish from the outset that the State of Québec and the third sector have co-produced services in the field of employability for nearly 30 years (Larose et al., 2005). However, so as to better understand the nature of the relationship between them through this coproduction, it is essential to address the specificities which characterize their relationship with regard to the policy co-construction processes. In this respect, several authors with different perspectives on the issue were consulted.

In 2005, Larose et al. emphasized that, in recent years, if the third sector is invited to greater participation in terms of defining policy guidance, the fact remains that many organizations within the employability field still struggle to influence decisions which affect them – confining them to a sub-contracting position. In addition, the authors state that the relationship between Emploi-Québec and the organizations is characterized by a succession of discordant episodes and pragmatic arrangements. In light of the definitions presented above, it therefore seems that one cannot speak of democratic co-construction in this context.

In 2007, Proulx, Bourque and Savard admitted that relations between the State and SSMOs (specialized employment services) for disabled persons have a contractual dimension – insofar as the State delegates to the third sector activities which are clearly defined through a formal relationship and controlled via established government policies. The authors use the concept of co-construction to characterize the way in which both the sharing of responsibilities and the terms for interaction have been negotiated between the State and the organizations. According to these authors, the Government of Québec agrees to be influenced by the representatives of the third sector, thus recognizing their autonomy and their right to participate in the development of objectives and policies. The authors therefore illustrate a better quality of relationship between the State and the organizations as well as the more tangible impact of the latter. It is unclear whether the distinctions between the writing of Larose et al. and those of Proulx, Bourque and Savard emerged from an evolution in relations between the State and the third sector, or if they are merely a result of perception disparity.

In regard to the interviews conducted with the SSMOs at the end of 2009, a thesis which states that the relationship between the organizations and the State has evolved in a positive manner seems possible. Indeed, those interviewed gave evidence of an improved relationship with Emploi-Québec and better financing methods which foster collaboration. In this context, we may assume (although our interviews in only three SSMOs in Montréal do not allow us to make a thorough or generalizable analysis on the relationships between employability organizations for disabled and the State) that in recent years third sector organizations have had growing influence and recognition within the machinery of government – promoting more democratic practices in terms of the construction of public policies.

However, if this growing influence and recognition which apparently benefits employment agencies gives them some autonomy as well as allowing for a democratizing potential with regard to public policies, it remains that there is no consensus regarding the conditions necessary for social innovation. Indeed, in the study on the implementation and impact of the Politique de reconnaissance et de soutien à l'action communautaire (PRSAC; Policy for recognition and support of community actions), White (2008) gives precedence to issues related to financing. In

effect, if financing were assigned primarily in the form of service agreements (as is the case for employment organizations for disabled persons), it would not promote the flexibility necessary for experimentation and innovation which may arise from funding which supports an overall mission. However, the author points out that several organizations in the employment field are fully satisfied with the service agreements. She then adds that many complementary community groups enjoy the business relationship which they have with government, as they prefer the more contractual relationship to the sometimes-conflicting alternative which is associated with more autonomous community action (White, 2008).

Overall, it seems that given the available evidence, the relationship between the State and SSMOs has evolved from an outsourcing relationship to a contractual relationship – promoting better recognition and greater possibilities for the organizations to have global influence. However, the contribution of White (2008) allows us to note that in terms of everyday intervention, the funding modes which the employability organizations are subjected to appear rigid – especially when compared against the types of funding allocated to other third sector organizations, particularly those associated with autonomous community action. It therefore appears appropriate to question the innovative potential which allows an exclusively-contractual relationship only with respect to the renewal of intervention practices within the field.



## Conclusion

What observations can be drawn from this consideration process – initiated under the auspices of our participation in the Community-University Research Alliance (CURA) – to better identify issues relating to the economic conditions and social participation of persons with disabilities? Firstly, a review of key policies and measures promoting the progression of financial conditions relating to the employment of disabled persons allows us to see that the Government of Québec has distinguished itself in recent years by establishing or improving a number of programs aimed at making work more lucrative and more attractive to those excluded from the labour market – in this case, people with disabilities. Secondly, the interviews conducted with SSMOs allow us to register issues in the employment field for persons with disabilities, both in the field and in the administrative sphere. We have been able to find that several measures which were designed to promote employability are used and considered useful by the participants, although there is still room for improvement. Thirdly, we can estimate the impacts associated with the programs and measures in force through the elaboration of scenarios – despite the limits of our expertise in the taxation domain. Our calculations generally lead us to the same conclusions as those issued from the interviews carried out with SSMOs, i.e. that the work, in some cases, proves to be financially worthwhile, allowing improvement to the financial situation of those who receive last-resort financial assistance. Finally, a review of writings which address the link between the State and employment organizations has enabled us to look at the issue of design and implementation of policies and programs which affect the employability of people with disabilities – as well as the participation conditions of the organizations to these processes. With the use of the concepts of co-construction and coproduction, we performed a review of the data available to us and have been able to see an evolution in the relations between State and the SSMOs for those with disabilities. In summary, the approach presented in this paper has helped to highlight, as originally intended, some workplace issues for people with disabilities as well as others relating to the third sector in that field of employment. We have also been able, through our work, to note that employment may in some cases prove to be a way of fighting poverty for disabled persons who are recipients of a last resort financial assistance program.

On the other hand, we should not forget that the results obtained are rather hypothetical insofar as that they are based on only fragmentary evidence. Indeed, we have proceeded to conduct only three interviews in Montréal and develop one case scenario. To access more comprehensive and valid results, it might be interesting to pursue our interviews with several other organizations in the field of employment across various Québec regions. It may also be relevant to go to a taxation specialist to develop more diversified and fiscally-sound scenarios. Finally, it would be potentially cost effective to interview State representatives and leaders of the disability community on the same topics as those discussed with the SSMO representatives. Triangulation of these data would validate our hypothesis.

However, we should not forget that while the work presented here is quite modest, it is related to several research efforts conducted at the LAREPPS over recent years which are similarly concerned with the social participation and employability of persons with disabilities. In this regard, the document fits with previous research as one more piece which allows us to move towards a better understanding of the issues relating to disability, social participation, poverty, employment and third sector potential.



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## Appendix 1: Programs and Initiatives

### Programs and Initiatives of Emploi-Québec

Program or Initiative	Details	Analytical Comments
<p><u>CIT (employment-integration contract)</u> This measure, previously managed by the OPHQ (Québec agency for handicapped persons) has been the responsibility of Emploi-Québec since 2001.</p>	<p>Eight components: salary support, workplace accessibility, workstation adaptation, capacity assessment, required interpretation, salary compensation for medical treatment, required assistance, special consideration.</p> <p>Duration: 52 weeks (renewable upon recommendation by an external resource mandated by Emploi-Québec)</p> <p>Financial compensation to the employer: up to 85% of the salary.</p> <p>Annual budget in 2008: \$24.5M.</p> <p>With the National Strategy in 2008, the budget increased by \$16.4M over five years.</p>	<p>The CITs are part of the main tools used by SSMOs to promote job entry. The increase of the number of CITs through the National Strategy for the Integration and Retention of Persons with Disabilities has been received positively by the organizations.</p>
<p><u>PSEA (Subsidy program for adapted enterprises)</u> OPHQ program transferred to Emploi-Québec in 2006.</p>	<p>Adapted businesses hire at least 60% of people with disabilities and provide them a useful and remunerative work. These companies can receive wage subsidies, consolidation grants and start-up grants.</p> <p>Annual budget in 2008: \$50M.</p> <p>With the National Strategy in 2008, the budget raised by \$33.5M over five years.</p>	<p>Professional integration in an adapted business is also a tool which is widely used by SSMOs. The increase of the number of places available through the National Strategy for the Integration and Retention of Persons with Disabilities has been received positively by the organizations.</p>

<p><u>PAAS (Program of assistance and social support)</u> Measures established in 2006-2007 within the legal frameworks of the Act to Combat Poverty and Social Exclusion and the Individual and Family Assistance Act.</p>	<p>The <i>Devenir</i> (Becoming) and Interagir (<i>Integration</i>) initiatives were implemented to help people who are not ready to enter the labour market. This measure mainly applies to the beneficiaries of the Social assistance Program and Social Solidarity Program. It allows participants to get \$130 per month in addition to their usual allowance, and also enables host organizations to obtain a grant of \$150 per month per participant.</p>	<p>While the <i>Devenir</i> program is intended to prepare the participant to join in an initiative or program offered by the public employment services, the <i>Interagir</i> program is addressed to those that are away from the labour market and aims at the personal and social evolution of the participant. Now it seems that participants in the <i>Interagir</i> program must still be part of a progression to employment and that the program is not designed so that people can be beneficiaries for life (Proulx and Dumais 2010).</p>
<p><u>Wage Subsidy from Emploi-Québec</u> This measure is part of the Active Labour Market Policy and is financed by the Fonds de développement du marché du travail (Labour Market Development Fund).</p>	<p>This program is not specifically addressed to persons with disabilities, but instead to people experiencing difficulty in integrating within the labour market. It consists of a grant which may be renewed for up to a maximum period of 52 weeks.</p>	<p>These are less favoured by SSMOs since they are not specifically addressed to persons with disabilities; this program is therefore only occasionally used.</p>
<p><u>Return to Work Supplement</u> Measure introduced in June 1998.</p>	<p>Financial assistance of \$500 aimed at helping beneficiaries of the last-resort financial assistance and employment insurance programs who get a full-time job to pay for the expenses related to their entry into the labour market.</p>	<p>If this measure is interesting in terms of incitement to employment, many complain that it is not accessible to persons who enter the labour market with the help of a CIT or through a place in an adapted business.</p>

<p><u>Work Premium</u> Measure established in January 2005 (replaces the APPORT [Parental Wage Assistance Program]).</p> <p style="text-align: center;"><b>OR</b></p> <p><u>Adapted Work Premium</u> Established in 2008 as part of the National Strategy for Labour Market Integration and the Maintenance of Handicapped Persons.</p>	<p>Refundable tax credit with amount determined by labour income and personal/family status. Intended for individuals or families with low incomes (for example, a single person is eligible if his annual earnings from work are between \$2,400 and \$15,343.80). Maximum amount of refundable tax credit for a single person: \$532.98</p> <p>Refundable tax credit with amount determined by personal and family income and family status. The applicant or his partner must be recognized as having a severe constraint on their employment. This program is for individuals or families with low incomes (for example, a single person is eligible if his annual income from work is between \$1,200 and \$22,837). Maximum amount of refundable tax credit for a single person: \$1024.92</p>	<p>The two programs cannot be combined.</p> <p>These programs make the work of low-income earners more valuable and therefore more attractive.</p> <p>In the context where it can be paid in advance, the premium may appear as an incentive to labour market integration. When requested in the context of the income tax return, the premium can also be an incentive for employment maintenance.</p>
<p><u>Supplement to the Work Premium</u> Included in the Pacte pour l'emploi Plus, the Supplement to the Work Premium has been in effect since 2008.</p>	<p>Refundable tax credit of \$200 per month aimed at helping former beneficiaries of a last-resort financial assistance program to maintain employment. Maximum period of twelve months.</p>	<p>Initiative proven to be highly relevant in terms of incitement to employment.</p>

Programs Controlled by the Treasury Board Secretariat and the CSPQ (Québec Shared Services Centre)

<b>Program or Initiative</b>	<b>Details</b>	<b>Analytical Comments</b>
<p><u>PDEIPH (Employability development program for handicapped persons)</u> The program is integrated in the Plan d'embauche du Gouvernement du Québec pour les personnes handicapées (Hiring plan of the Government of Québec for disabled persons), and was adopted in 1984.</p>	<p>Employability development program in the context of a casual job (twelve months) in the Québec public service. Possibility to get a job afterwards in a related ministry or an agency.</p>	<p>Program criticized by some parties who highlight the unlikelihood of participants to get a job at the end of the program.</p>

Program Depending on the Canada Revenue Agency

<b>Program or Initiative</b>	<b>Details</b>	<b>Analytical Comments</b>
<p><u>WITB (Working income tax benefit)</u> Introduced in February 2007.</p>	<p>Refundable tax credit for low-income workers whose employment income is above \$3,000.</p>	<p>May be paid in advance or requested as part of income tax return. Can therefore act as an incentive to either employment commencement or continuation.</p>

Programme Under the Ministry of Human Resources and Skills Development Canada (HRSDC)

<b>Program or Initiative</b>	<b>Details</b>	<b>Analytical Comments</b>
<p><u>Opportunities Fund for Persons with Disabilities</u> (Administered by Sphère Québec) Since 1997, the federal government has invested \$30 million per year to help PWDs in meeting their professional goals.</p>	<p>4 initiatives:</p> <ul style="list-style-type: none"> <li>- Targeted wage subsidy</li> <li>- Work experience</li> <li>- Self-employment assistance to start a small business</li> <li>- Increased services for employment assistance (internships)</li> </ul>	<p>Funds used by SSMOs to supplement their usual service offerings in special cases for which funding through fixed costs does not cover expenses.</p>

## Appendix 2: Statistical Data on Labour Specialized Services (SSMOs)

L'étape (Data from the 2008-2009 annual report and the interview)

Clientele portrait	Physical disability: 70% Deafness: 30%
Number of clients	232 admissions for the year 2008-2009
Number of placements	105 job placements (53% without a wage subsidy) 55 placements in employability development programs
Average salary of clients	\$13.20/hour
Schedule	30 hours or more: 75% Less than 30 hours: 25%
Source of client income before joining	Income security: 35% No income: 24% Employment insurance: 19% Others: 22%
Main tools used by the SSMO	CIT: Employment-integration contract  EA: Adapted enterprises  PAAS: Programs of assistance and social support  Wage subsidies (sometimes used)  PDEIPH: Development program for the employability of persons with disabilities
Primary funding	Emploi-Québec (lump sum)

Action main-d'œuvre, Inc. (Data from the 2008-2009 annual report and the interview)

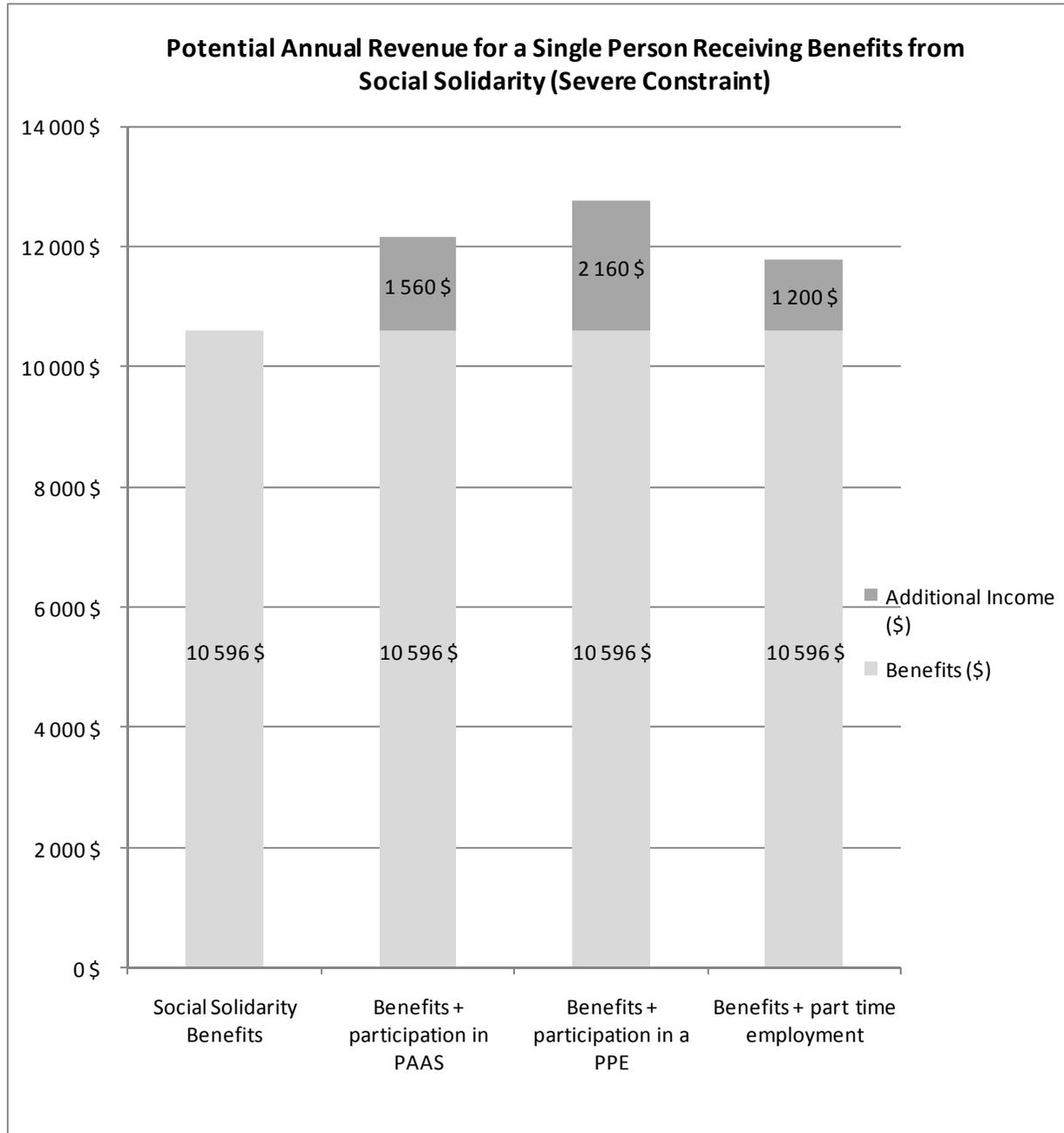
Two separate services	Action main-d'œuvre, Inc.	À l'emploi!
Clientele portrait	People with intellectual disabilities (ID)	People suffering from a pervasive developmental disorder (PDD)
Number of clients	225 admissions for the year 2008-2009	52 admissions for the year 2008-2009
Number of placements	120 job placements 12 placements in labour market preparation initiatives	27 job placements 1 placement in a labour market preparation initiative
Average salary of clients	\$9.59/hour	\$11.38/hour
Schedule	Mostly full-time	82% full-time
Source of client income before joining	No income: 42% Social Solidarity: (Severe constraint): 34% Income security: 14% Employment insurance: 10%	Social Solidarity: (Severe constraint): 41% No income: 39% Occupation: 14% Employment insurance: 4%
Main tools used by the SSMO	CIT: Employment-integration contract  EA: Adapted enterprises  Opportunities Fund for Persons with Disabilities in specific cases (e.g. training)  Wage subsidy from Emploi-Québec	CIT: Employment-integration contract  EA: Adapted enterprises  Opportunities Fund for Persons with Disabilities in specific cases (e.g. training)  Wage subsidy from Emploi-Québec  PDEIPH: Development program for the employability of persons with disabilities (sometimes used)
Primary funding	Emploi-Québec (lump sum)	Emploi-Québec (lump sum)

L'Arrimage (Data from the 2008-2009 Annual Report and the Interview)

Clientele portrait	Schizophrenia: 38% Mood disorders: 25% Other psychoses: 19% Anxiety disorders: 7% Personality disorders: 6%
Number of clients	370 admissions for the year 2008-2009
Number of placements	238 job placements 41 placements in labour market preparation initiatives
Average salary of clients	Approximately \$10/hour
Schedule	30 hours or more: 53%
Source of client income before joining	Social Solidarity (Severe constraint to employment): 41% No income: 23% Income security: 19% Employment insurance: 8%
Main tools used by the SSMO	CIT: employment- integration contract  EA: adapted enterprises  PAAS: Programs of assistance and social support
Primary funding	Emploi-Québec (lump sum)



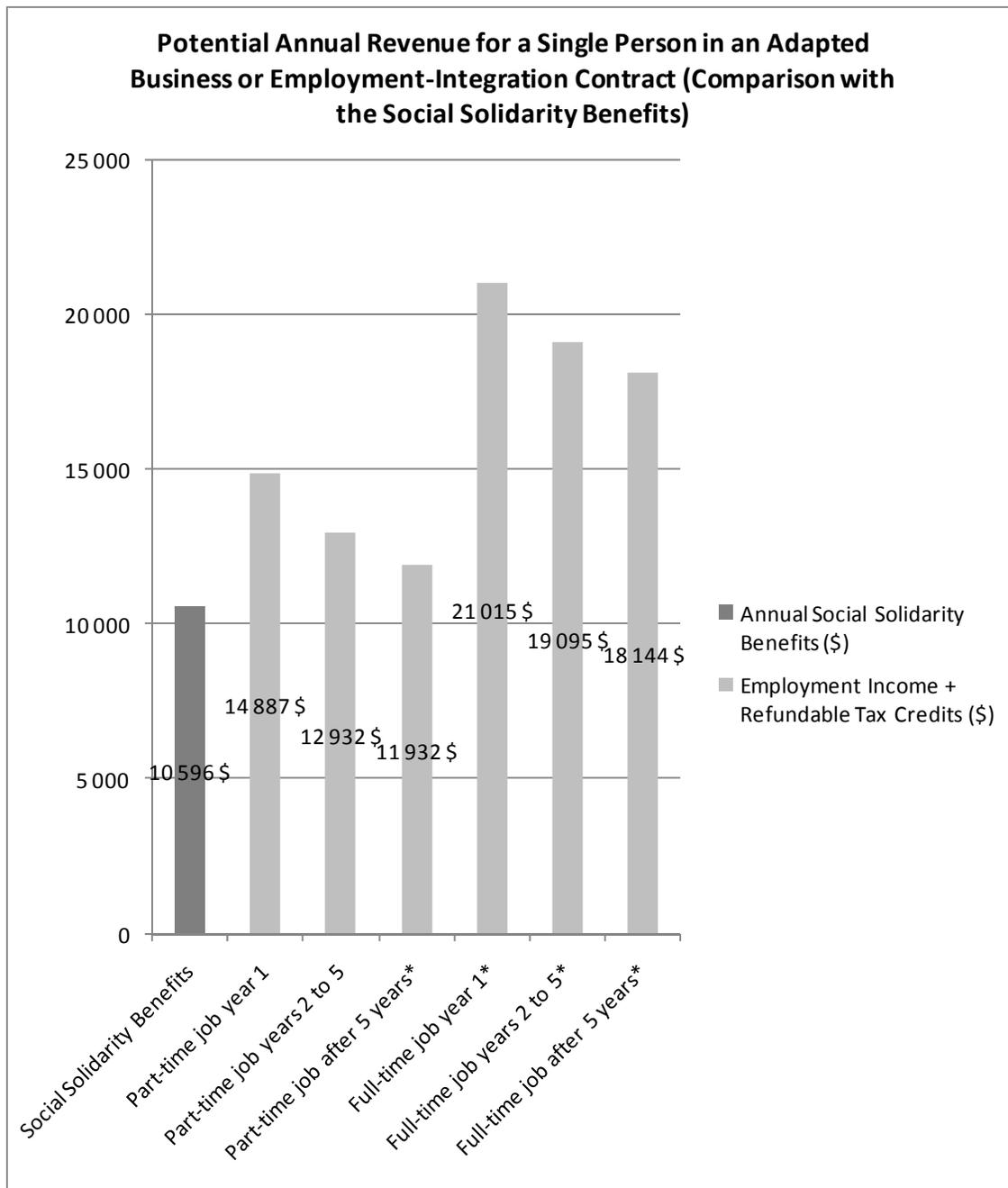
**Appendix 3: Charts and Tables Illustrating some Scenarios for Québec**



\* In all four cases, the considered persons retain their claim booklet.

**Potential Annual Revenue for a Single Person Receiving Benefits from Social Solidarity  
(Severe Constraint): Text Table**

<b>Occupation Income</b>	<b>Part time employment + social solidarity benefits</b>	<b>PAAS (Devenir, Interagir)</b>	<b>PPE (Preparation for Employment program)</b>
Social Solidarity:  \$883/month	Part-time job Earnings <\$700  \$883/month \$100 of eligible employment income	  \$883/month Alloc. \$130/month Transportation fees	Preparing for employment  \$883/month Minimal allocation of \$180/month Transportation fees
Total: \$10,596/year + Claim booklet	Total: \$11,796/year + Claim booklet	Total: \$12,156/year + Claim booklet	Total: min. \$12,756/year + Claim booklet



\* Loss of claim booklet

**Potential Annual Revenue for a Single Person in an Adapted Business or Employment-Integration Contract: Text Table**

<b>Adapted Business or Employment-Integration Contract</b>		
	<b>Part-time</b>	<b>Full-time</b>
	\$9.5 <sup>25</sup> /h x 20h/week	\$9.5/h x 35h/week
<b>1st year</b>	Gross annual income: \$9,880  Adapted work premium <sup>26</sup> Supplement to the work premium <sup>27</sup> WITB (Working income tax benefit) <sup>28</sup>  Total: up to \$14,887 + Claim booklet	Gross annual income: \$17,290  Adapted work premium Supplement to the work premium WITB Refundable tax credit for medical expenses <sup>29</sup> Refundable supplement for medical expense  Total: up to \$21,015 +up to \$2,073 of refundable tax credits to offset loss of the claim booklet
<b>Years 2-5</b>	Gross annual income: \$9,880  Adapted work premium WITB  Total: up to \$12,932 + Claim booklet	Gross annual income: \$17,290  Adapted work premium WITB Refundable tax credit for medical expenses Refundable supplement for medical expense  Total: \$19,095 + refundable tax credit up to \$2073
<b>After 5 years</b>	Gross annual income : \$9,880 <sup>30</sup>  WITB Work Premium Refundable tax credit for medical expenses Refundable supplement for medical expenses  Total: up to \$11,945 + refundable tax credit up to \$2073	Gross annual income: \$17,290 <sup>31</sup>  WITB Work Premium Refundable tax credit for medical expenses Refundable supplement for medical expense  Total: up to \$18,144 + refundable tax credit up to \$2073

<sup>25</sup> Minimum wage (2010)

<sup>26</sup> Maximum of \$1,020/year for a person who received Social Solidarity in the last 5 years

<sup>27</sup> \$200 per month for up to 12 months

<sup>28</sup> The amounts used to construct scenarios were estimated thanks to the WITB calculator from the Canada Revenue Agency

<sup>29</sup> Maximum of \$1,032/year

<sup>30</sup> Although the gross amount is normally limited to about 12% paid in taxes, we chose to leave it as is because several non-refundable tax credits which were not taken into account in our calculations are applicable.

<sup>31</sup> Although the gross amount is normally limited to about 28% paid in taxes, we chose to leave it as is because several non-refundable tax credits which were not taken into account in our calculations are applicable.