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A CASE FOR COLLAPSE

Québec's family programs are touted as a great success. But low fertility and high debt rates spell unsustainability

November 7, 2011 (Ottawa) – Today the Institute of Marriage and Family Canada is pleased to release a new report, *A Québec Family Portrait*. This report provides a comprehensive picture of family-related statistics in Québec, particularly as they pertain to the Québec economy. The report examines such diverse areas as the economy, taxation, education, family-related government programs (including the provincial daycare system), fertility, marriage, divorce and cohabitation rates.

This family portrait reveals a province that is breaking new ground in family and social policy, sometimes for the good, and occasionally in ways that are problematic:

- Québec's debt-to-GDP ratio is the fifth highest in the world, behind Japan, Italy, Greece and Iceland
- Tax rates in Québec are high: A single income family in Québec with two children between the ages of six and 17 earning \$60,000 annually in 2010 will have a tax bill of \$15,437, compared to \$12,429 in Ontario and \$11,193 in Alberta
- While Québec's fertility rate is increasing, they have not reached replacement level, which is 2.1. In 2008, Québec's fertility rate was 1.74. A growing population is necessary for social programs to continue at current levels, given the rapid aging of Quebec's population
- 63.1% of children in Québec were born outside of marriage in 2010. A substantial body of international research shows that marriage is the most stable way to raise children, as compared with cohabitation or single parenting. This raises questions about how this lack of a Québec marriage culture might impact society and the economy, both now and in the future

"Since the Quiet Revolution in the 1960s, Québec has embarked on a radical experiment in social and economic transformation, which has changed the face and character of that province," say the study authors, Paul Malvern, Andrea Mrozek and Catherine Benesch. "Many areas of Québec life have shifted and family life has changed dramatically as evidenced by lower marriage rates, higher rates of cohabitation and low fertility rates."

The success or failure of this experiment will have profound repercussions for the rest of Canada since a number of other jurisdictions are looking to emulate some of Québec's family policies, such as its provincial daycare system. "That system, however, has been ranked low quality by different researchers over the years, and is a contributor to the high tax environment and a lack of choice in childcare" says researcher Andrea Mrozek. "Other Canadian provinces ought to tread very carefully before copying this model."

While some of its programs are clearly popular, there is possible trouble ahead. For without substantial fiscal restructuring, Québec may not be able to afford the social benefits it currently offers families. And without a strong marriage culture, any potential cutbacks are likely to hit Quebecers hard. Strong families provide a very good social safety net and when families fail it is very difficult to overcome the resulting deficits. The Government of Québec would be well advised to pay attention to Québec's marriage deficit alongside its growing provincial debt.

"If the Québec experiment in social engineering is ever to unravel, the cause will almost certainly involve fiscal woes flowing from the constant need to refill government coffers, combined with the same low fertility levels experienced by most Canadian jurisdictions," the authors say. "Still, in some ways, Québec's family portrait is not that different from the rest of Canada—only further along the road."

The report can be downloaded in full, here.

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