



The Quebec social economy experience

THE SOCIAL ECONOMY. IT'S ABOUT MONEY AND **HUMAN VALUES.**

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Partners of the Project

THE SOCIAL ECONOMY. IT'S ABOUT MONEY AND HUMAN VALUES.

- Canadian Centre for Community Renewal
 - Canadian Community Economic Development Network
 - Chantier de l'économie sociale
 - Connections Clubhouse
 - Économie solidaire de l'Ontario
 - Edmonton Community Foundation
 - Enterprising Non-Profits
- ... and Human Resources and Social Development Canada

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Session Outline

THE SOCIAL ECONOMY. IT'S ABOUT MONEY AND HUMAN VALUES.


- Definitions: Social economy / CED
- Quebec “model” - brief history
- Major breakthroughs
- Significant steps forward
- A quick snapshot of Social Economy in Quebec
- Lessons – Challenges
- Conclusion

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- Social economy
- Solidarity economy
- Community economic development
- Social enterprise
- Social entrepreneurship
- Solidarity finance
- Cooperative development
- Third sector
- Voluntary sector !!!

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What is it about?

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The economy

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Private economy

Public economy

Social economy

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Definitions

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The social economy:

- Objective of **servicing its members** or the community instead of simply generating profits;
- **Autonomous of the State** in its management;
- **Democratic decision-making process**;
- **Prioritizes people and work** over capital;
- Principles of **participation**, empowerment and accountability of individuals and communities.

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The social economy



The social enterprise

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.... is two entities in One

- **a group of people**: social mission
- **an enterprise**: economic activities on the competitive market
- the enterprise enables the organization to accomplish its mission
- 2 types : the co-operative (Co-op) and the non-profit organization (NPO).

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Community economic development Definition

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- holistic approaches (economic, environmental, social)
- rooted in local knowledge, led by community members
- problems facing communities: unemployment, poverty, job loss, environmental degradation and loss of community control

From The Canadian Community Economic Development Network
(CCEDNet)



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Parallels with the Regional Context

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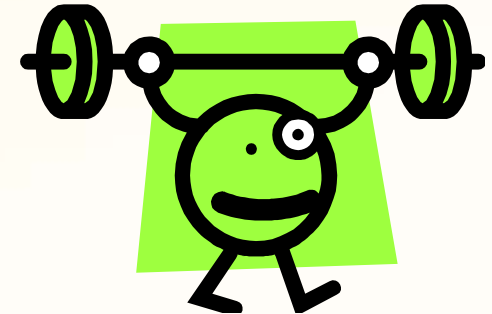
- Social enterprise
- Community-based enterprise
- Enterprising non-profit
- Co-operative ...

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The Quebec 'model': brief history

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- Quebec's Quiet Revolution
- Strong union movement
- Strong community movement
- Strong cooperative movement



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The Quebec 'model': brief history (2)

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- Tradition of **tripartitism** from 1976: economic summits involving government, labour and private sector

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The Quebec 'model': brief history (3)

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- Early 1980's with **economic crisis**
- Involvement of the labour movement in economic development
- Involvement of unions in regional development
- Creation of the *Fonds de solidarité du Québec*

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The Quebec 'model': brief history (4)

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- Involvement of community organizations in local economic development
- **Rural initiatives** to counter rural decline
- **Community-based service organizations**
- Emergence of social co-operatives
- *Caisse d'économie CSN*

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1995-1996: Major breakthroughs

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- 1995: **Women's March** Against Poverty
- 1996: **Summit** on The economy and Employment
- **Working group** on the social economy
- Recognition of the importance of **citizen involvement** in economic development



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1999-2006: Significant steps forward

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New Quebec policies in support of CED and the social economy:

- Local development policy (1997) creates local development centres
- **Recognition** and financial support for community economic development corporations in urban areas
- Sectoral policies for social entrepreneurship

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1999-2006: Significant steps forward

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- New financial tools
- New enterprise models
- New institutions and **networks** emerge



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1999-2006: Significant steps forward

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- New **alliances** with researchers and universities
- Emerging **international networks**
- Partnerships with **fair trade** organizations and NGO's in international cooperation

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1999-2006: Significant steps forward

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- 2003 : new provincial government continues **support** for social economy
- Private sector support for CED and the social economy

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1999-2006: Significant steps forward

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- Part of broader **political debates**
- Regional social economy nodes to promote and develop collective entrepreneurship
- Increasing involvement of labour, environmental movement in the social economy
- High level of interest among **youth networks** for CED and the social economy

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In 2008

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- November 2008, adoption of an action plan by the provincial government for collective entrepreneurship:
 - ✓ \$16.7 million investment over 5 years
 - ✓ Financial support for the social economy hubs in the regions
 - ✓ Financial support for the Chantier de l'économie sociale

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In 2008

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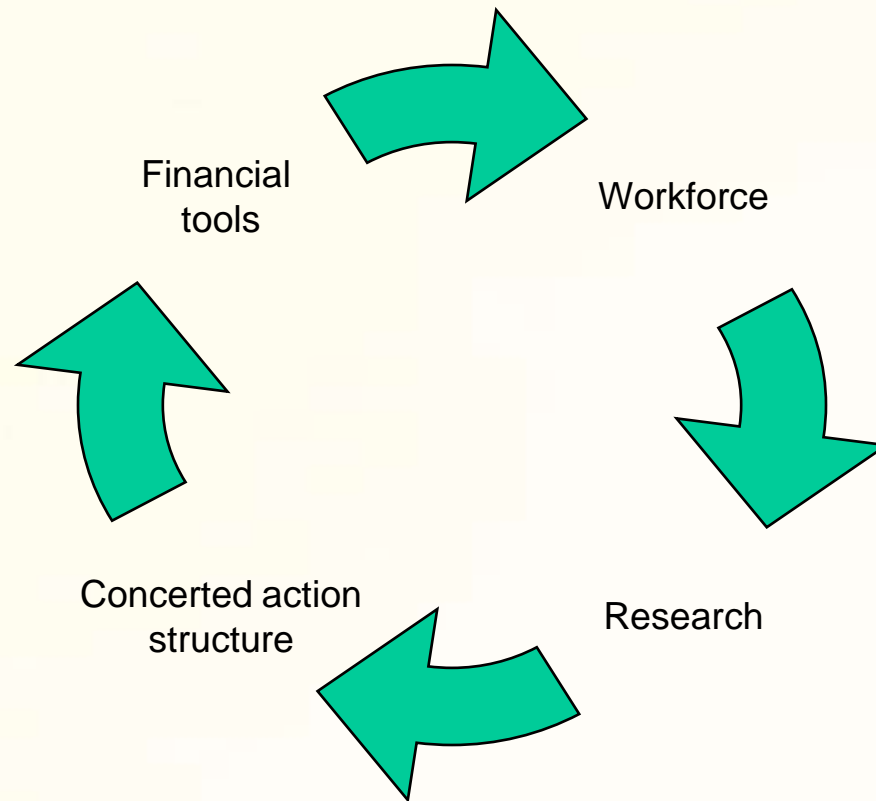
The plan includes 21 actions:

- Snapshot of the social economy
- Research projects
- Training for the sector's workers
- Raising awareness (social economy portal)
- Intersectoral and interministerial approach

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Structure of the social economy

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A quick snapshot in Quebec

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- **Over 7000 social enterprises** (CO-OP and NPO) representing 6% of GNP (excluding financial and large agricultural cooperatives)
- **125 000 workers**
- **Sales over \$17 billion/year**

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A quick snapshot

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- Recycling
 - Home care
 - Forestry cooperatives
 - Community radio and television
 - Daycare
 - Social tourism
 - New technologies
 - Manufacturing (adapted enterprises)
- and a lot more...**

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A quick snapshot in Quebec

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- 65% survival rate after 5 years
- compared to 35% for traditional SMEs (Quebec)
- Four keys to understand their sustainability:
 - ✓ meet defined needs
 - ✓ supported by the community
 - ✓ networking and technical support
 - ✓ innovative use of public resources, volunteers and market outlets

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A quick snapshot

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Réseau d'investissement social du Québec:

- Technical assistance and capitalization components
 - 484 projects
 - \$11 million investment
 - Creation and maintenance of more than 6,000 jobs
 - Recreation and tourism, services, recovery-recycling, solidarity commerce, culture, etc.

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A quick snapshot

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Fiducie du Chantier de l'économie sociale:

- Patient working capital / patient real estate capital
 - \$6.9 million invested in 22 social enterprises: neighborhood cinema / second-hand clothing store / recycling centre / funeral co-op food co-op / brewing co-op, etc.
 - Creation and consolidation of 547 jobs

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Lessons

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- Social economy refers to **coop and community-based movement**
- Dialogue between players and government
- **A slow process**
- The need to build a network of networks



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Lessons

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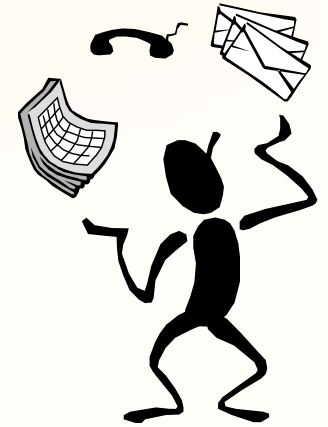
- **Pluralist economy:** Public economy, private sector, social economy
- Moving from a **charitable approach to a partnership approach**

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Challenges

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- Many institutional barriers
- Commercialization strategies
- **Image** of the social economy
- Work on social financing and **social indicators**



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Challenges

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- Development of data on the social economy
- Production of a corpus of **knowledge** on the social economy
- Building internal capacity (the skills of social entrepreneurs)
- Access to long term investment capital

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The social economy is:

- An economic force
- A social movement = more inclusive and democratic economy
- A civil society movement working in concert with the government and the private sector

Conclusion

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For the social economy to take root:

It has to **simultaneously promote** social enterprises and **develop** new instruments to permit their emergence, consolidation and growth



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CHANTIER
DE L'ÉCONOMIE SOCIALE

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