

A New Beginning for Social Economy in Québec?

The Governmental Action Plan for Collective Entrepreneurship

BY NANCY NEAMTAN

For the first time in Canada, a provincial government has adopted a comprehensive policy program to support the social economy. This event is the result of a long process of movement building and constructive dialogue between Québec's government and civil society in response to community needs and aspirations.

In November 2006, 700 delegates attended the Québec Summit on the Social and Solidarity Economy to assess the progress that a decade of collective action and enterprise had made in the building of a more inclusive and democratic economy, and to agree upon development priorities for the years to come. In addition to people from across Québec, there were observers from the rest of Canada and 23 other countries. Speaking at the plenary, Premier Jean Charest committed to work in partnership with the social economy movement to carry out the priorities that the delegates adopted.

Two years later, after a long process of dialogue and debate, this commitment has led to a major breakthrough in Québec policy. On November 2, 2008 the Government of Québec presented a new "Action Plan for Collective Entrepreneurship." The main elements of this plan are direct responses to priorities identified at the Summit and include new financial commitments of \$16.7 million over five years for the Chantier, regional hubs, and a variety of new projects.

The plan is significant for several reasons in addition to its concrete commitments and their financial implications. It is presented in the context of the government's broader economic strategy to confront recession and as a key part of a regional development strategy. Its inter-sectorial, inter-ministerial approach demonstrates a recognition of the diversity and the scope of the social economy. In fact, the plan involves eight different ministries and is co-ordinated by a ministry with a long history of inter-sector approaches, the Ministry for Municipal Affairs and Regional Development. In that respect, the plan represents an important example for policy-makers across Canada.

The plan has four major sections. First comes a historical overview of Québec's social economy: its emergence in the formation of the first financial co-operatives and mutual benefit societies over a century ago, and development to the present, particularly after the 1995 Women's March Against Poverty put the social economy on the political agenda.

The second section reviews existing government support for the social economy with an emphasis on measures and programs to support collective services, economic development, the environment, transport, and the arts and culture sector. In Québec this support has been crucial in the development of major collective assets, notably co-operative and nonprofit community housing; a vast network of parent-controlled daycare; a province-wide network of homecare enterprises; and diverse investment tools. Government funding for a network of local development organisations and technical resources for collective enterprises in communities across Québec is also emphasized.

Is the Action Plan simply a good public relations stunt? The key resides in the mechanisms established to follow up on its promises. The creation of an inter-ministerial committee & the identification & networking of resource people in various ministries & public bodies are both good signs that this new action plan will take root in government.

Section 3 makes a series of commitments to support networking for social economy enterprises. It reiterates a promise announced in the 2008 budget to increase financial support to the Chantier de l'économie sociale for another five years. Then there's something new. The plan commits to funding 21 regional hubs of social economy (*Pôles d'économie sociale en région*) to promote and develop the social economy across Québec over the next five years. Support is also promised for multi-sector agreements between each regional hub and various ministries and regional institutions. Specific measures address the needs of the metropolitan region of Montréal and social economy enterprises in the homecare sector. In addition, a small fund will be created to assist studies and research in support of innovative developments.

Résumé : Un nouveau départ pour l'économie sociale au Québec?

En 2006, le Sommet de l'économie sociale et solidaire du Québec a défini des priorités pour le développement d'une économie enracinée dans la justice sociale et la viabilité environnementale. Le Premier ministre Jean Charest a proclamé l'appui de son gouvernement pour les décisions des délégués. Cet engagement a finalement porté fruit en novembre dernier. Au cours des cinq prochaines années, le nouveau « plan d'action gouvernemental pour l'entrepreneuriat collectif » du Québec consacrera une somme additionnelle de 16,7 millions de dollars aux priorités identifiées il y a deux ans.

Le plan commence par revoir la longévité de l'économie sociale du Québec et les appuis qu'elle a reçu du gouvernement. Ensuite vient une liste de nouveaux appuis pour les réseaux de l'économie sociale, incluant plus de financement pour le Chantier de l'économie sociale et pour 21 pôles d'économie sociale en région qui feront la promotion et le développement de l'économie sociale à travers le Québec. Une politique d'approvisionnement sera introduite qui favorise les entreprises et les stratégies collectives pour exercer un effet de levier sur les investissements privés à des fins sociales. Le gouvernement collaborera avec le Chantier et les chercheurs pour compléter un portrait statistique de l'économie sociale.

Environ au même moment, des centaines de personnes ont aussi participé à des sommets à Vancouver et Toronto pour brosser un tableau à savoir comment l'environnement politique et économique de leurs provinces pourraient donner un plus grand appui à l'entreprise sociale. Des plateformes communes ont commencé à émerger malgré la diversité des structures, des stratégies et des emplacements des délégués. Par contraste, le plan d'action du Québec place l'économie sociale au cœur de la réponse du gouvernement à la récession et de sa stratégie de développement régional. ■

The fourth section identifies strategic actions to support the development of the social economy. The government will work with the Chantier and researchers to elaborate a reliable statistical portrait of the sector. This is essential for both for government and practitioners. Despite the sector's rapid growth, we have been unable to measure the development of the social economy and to evaluate its depth and its scope with precision.

There are also measures to support research on the social economy and labour force development and training, with a particular emphasis on management skills. The need to modernize nonprofit legal structures is recognized; social economy actors are invited to propose how a new Law of Incorporated Associations (in the past, nonprofits are considered as an exception within the Company Law) can take into account enterprising nonprofits. The plan includes support for the social economy portal (economiesocialequebec.ca) and for international exchanges as well.

Significantly, the plan encourages inclusive strategies in the development of Québec's social economy movement. Support will be offered to initiatives that raise awareness and involvement among youth and that enable First Nations to develop their own model of the social economy in partnership with the Chantier. There is support for a comprehensive process co-ordinated by the Chantier to involve more immigrants in creating, working, and



At The Co-operators, we believe in building safe, healthy, sustainable communities.

Through our Community Economic Development Fund, we are strengthening disadvantaged communities and individuals across Canada. One organization...one co-operative...one project...one person at a time.

CCC

Home Auto Life Investments
Group Business Farm Travel

 **the co-operators**
A Better Place For You™

SFU

Certificate Program for CED Professionals

"This type of professional development in CED can really help in putting together workable ideas that achieve financial success & environmental results."

- Dave Mowat,
former CEO, Vancity



www.sfu.ca/cscd/ced
250-386-9980 ext. 103
certced@sfu.ca

benefiting from the services of social economy enterprises. A minimum of 4% of government purchases of media space will be dedicated to community radio, television, and publications.

While broad in scope and responsive to many priorities, one of the most exciting aspects of the plan is the government's intention to continue to explore new avenues of development in partnership with the Chantier and other social economy actors.

Procurement policy to support collective enterprises and new strategies to leverage private investment for social purposes are two examples of this. Another is the Chantier's ongoing study of the cultural engagement of citizens through the social economy. The increasing role of the social economy in new economic sectors will also receive recognition. A new committee of government and social economy actors will conduct an analysis of these emerging sectors (sustainable tourism and agro-food are possible examples) and measures to support them. This an open invitation to development that all regions and sectors will welcome.

Is the Action Plan simply a good public relations stunt? The key to answering that question resides in the mechanisms established to follow up on its promises. The creation of an inter-ministerial committee and the identification and networking of resource people in various ministries and public bodies are both good signs that this new action plan will take root in government. The engagement of regional development structures across Québec in support of the social economy will embed an inter-sectorial approach in future government policy and actions.

The Chantier and its partners and members have welcomed the Action Plan for Collective Entrepreneurship with enthusiasm. It represents another step towards the full recognition of the crucial contribution made by the social economy to Québec's socio-economic development.

This is not the end of the road; it is in fact a new beginning. Minister Nathalie Normandeau, vice-premier, and Minister for Municipal Affairs and Regional Development echoed this assessment. At the press conference announcing the plan she asserted that it "represents the culmination of an undertaking commenced at the Summit on the Social and Solidarity Economy in 2006 and the launch of a concerted government action that is sure to grow and thrive."

Patrick Duguay, President of the Chantier's Board of Directors, agreed. "This new action plan," he declared, "begins a new era of collaboration between the Québec state and social economy actors. The recognition of the contribution of co-operative and nonprofit enterprises encourages us to continue our work to achieve a more just and sustainable development at the service of communities."



NANCY NEAMTAN is Executive Director of the Chantier de l'économie sociale, a coalition of 28 networks of social enterprises, organized labour, local development organizations, and social justice movements in Québec. In October the Canadian Union of Communications, Energy and Paperworkers awarded her the Neil Reimer Prize in recognition of her contribution to public good in the course of her career as a community organizer and developer in Montréal. Reach her at Nancy.Neamtan@chantier.qc.ca. To download the Action Plan, go to www.mamr.gouv.qc.ca/regions/regi_econ_plan_acti.asp.

The 2008 Social Enterprise Summit in B.C.

By David LePage

Social enterprise has grown rapidly in British Columbia since 2000. In terms of location (rural and urban), sector, and business model there has been significant expansion, thanks in no small part to strong credit union engagement, funding programs, and technical assistance from a variety of sources. Yet no common platform or strategic plan exists in the province to bring about an environment supportive of social enterprise.

So the first B.C. Social Enterprise Summit, held November 17-19, 2008 in Vancouver, was a much-anticipated opportunity to move that agenda forward. The 11 hosting organizations represented a spectrum of social enterprise and social economy operators, funders, and intermediaries. The 140 or more participants included practitioners, funders, private sector, government, consultants, and intermediaries. Surrounded by flipcharts, sticky notes, coffee mugs, and laptops they discussed,

debated, prioritized – and made solid progress.

Diversity itself was the first hurdle to clear on the way to a shared analysis. Whether their approach to enterprise was for-profit, nonprofit, or hybrid, participants agreed to work with the following definition: "Social enterprises are businesses that sell goods or provide services in the market for the purpose of creating a blended return on investment, both financial and social. Their profits are returned to the business or to a social purpose, rather than maximizing profits to shareholders."

They also realized how complex an undertaking this "environment" will be. It requires an integration of public policy, multi-sector engagement, innovative financing, and supportive market behaviour. They did make a start on a common action plan for transforming public policy in relation to social enterprise, however. The plan has four key components:

- Encourage Awareness and Demonstrate the Value of Social Enterprise
- Enhance Enterprise Skills
- Ensure Access to Capital and Investment
- Expand Market Opportunities

In each of these tasks the summit participants worked through the roles of multiple parties: the three levels of government, the nonprofit sector, and the private sector. The next step is to turn this into a strategy that will enable stakeholders to co-ordinate their efforts. That is the job of the summit planning committee (now the "go-forward committee") and commences in January.

To get the summit background materials and follow the next steps, go to www.enterprisingnonprofits.ca/summit. ■

DAVID LEPAGE is manager of the Enterprising Nonprofits Program (enterprisingnonprofits.ca) and a member of the Canadian CED Network (CCEDNet) Policy Council. Contact him at 604-871-5477 or david@enterprisingnonprofits.ca.