

## **Innovation through new practices and new partnerships: the Quebec experience**

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I came here with no speech prepared and no real idea of how I was going to intervene in the session this morning. I figured with only 20 minutes to speak, I could easily take up all the time just describing what my organisation does, what is the social economy and how exciting and challenging all this stuff has been in the context of the debate on welfare to work.

But after listening to all these research results, my empirical social activist tendency has taken control of me so I am going to try to take this a bit farther and talk not only about the work but also about the politics of the work – because it seems to me that if we want a shift in community and policy culture, and I think we do, we are talking fundamentally about the need for a political process...

One thing I won't do this morning is give you the results of any research. For I am not in any way a scholar. I got a BA a hundred years ago in English literature at McGill and most of my credits came from doing political street theatre. I started working in the community movement and advocacy when I was 17 and I never stopped long enough to pursue my studies. However through that process I have been deeply involved in a whole series of culture shifts within the Quebec context and increasingly, over the past few years, in the international context through involvement in forums and venues as diverse as the World Social Forum and OECD.

My interest in innovative responses to welfare to work strategies goes back a long way. In 1983 I was a community organiser in one of the poorest urban communities in Canada when the first work for welfare programs were created aimed specifically at youth. The reaction in our community was two fold. On the one hand, we denounced the short term and coercive elements of these programs. That was the easy part. But at the same time, it was impossible for us to deny the fact that the people on welfare in our community wanted to work – that was what they were asking us every day. So we began a community economic development process that took as its basic postulate that our local economy was not only NOT creating opportunities for the poor and marginalised but that the very process of economic

development was creating more and more marginalisation. Our logic and naiveté led us to believe that our only option was to get involved and try to turn around the very way economic and social development was being done in our community.

This in itself was a major cultural shift. Many community activists condemned the initiative. Economic development was not our business, they claimed. Getting involved would mean dirtying our hands and making too many compromises. The role of social movements was to protest not to become involved in job creation and certainly not to work with other economic actors.

But we were convinced that without this, we were abandoning our population to permanent marginalisation. And so we proceeded, through trial and error, allying at first with local labour unions concerned with saving their jobs, then local business people and local politicians, institutions and finally government.

Twenty years later, we are no longer alone in our efforts of to redefine how economic and social development takes place in our neighbourhoods. Our local organisation in the Southwest of Montreal that was begun by community groups involved in health, housing, welfare and other issues, has become a major non-profit whose membership and forms of governance involves unions, the private sector, community groups, cultural actors institutions and local residents.. This form of organisation, called a community economic development corporation in our jargon, has been developed in many other communities in urban neighbourhoods across Quebec and receives provincial, federal and municipal funding. The CDEC are involved in economic development, urban planning, training, social integration, support for the social economy and whatever else needs to be done to revitalise the community in an inclusive perspective. Other forms of civil society organisations do similar work in many other communities in Quebec.

These forms of collaborative partnerships at the community level represented a major cultural shift in Quebec over the past twenty years. This same culture is reflected in the field of labour force development policies and practice. Based on the success of our work and the networking of a wide variety of community based organisations, the community sector fought to become a legitimate partner and recognised partner in defining and carrying out labour force and social inclusion strategies. We are therefore full fledged members of what is called the

Commission des partenaires du Marché de travail, a body created by the Quebec government to oversee labour force development issues. This Commission made up of representatives of the major labour unions, business associations, education institutions and the community sector, works in close collaboration with Emploi-Quebec, the government agency responsible for all workforce development programs and initiatives, be they for the unemployed on UI or welfare or employed workers. The CPMT is unique in Canada in that it recognises the role of social partners in the definition and implementation of labour force development policy and even more unique because it defines those social partners not only as labour and business but also recognises the presence of community representatives whose role is to defend the interests of marginalised populations. I have been a member of that Board since its origins in 1994 and I represent, along with two other colleagues, a structured coalition of networks of community organisations that work in the field of employment services, advocacy, local and community economic development and adult education. This has become an institutionalised setting for cultural shifts in policy, for it is a governance body where a wide spread of stakeholders debate and act on issues such as welfare to work programs, continued education, workplace training, sectoral strategies, strategies for women, the handicapped etc The Commission is the main governance structure but there are also similar structures in each of the 17 regions and 26 sectoral partnership committees.

It was because of my role in this Coalition that I became involved in an event that led to the creation of the Chantier de l'économie sociale in 1996.

In that year, the Quebec government organised a Summit on the Economy and Employment, Participants included civil society representatives: leaders from big business, employers' associations, unions, municipalities, institutional networks, representatives of important social and community movements, churches etc

In its effort to find a way out of a 12% unemployment rate as well as significant difficulties with government finances and debt, the government challenged the private sector and Quebec civil society to come up with strategies that would allow for economic renewal and job creation. To do so, it proposed the creation of a working-group on employment and economic development led by actors from civil society. I was drafted to preside what became the *Chantier de l'économie sociale*. We had six months to fulfil our mandate, which was to

prepare a plan of action to propose job creation strategies that would be acceptable to the participants of the summit and not too costly for government.

For many reasons, this proved to be an immense challenge. First and foremost was the fact that nobody was quite sure what we were talking about. For despite its important presence in Quebec, the term “social economy” had never been widely used; thus, it was complicated to identify and recognise. Luckily we quickly discovered that we were all part of what is defined as the social economy. For the social economy consists of an ensemble of activities and organisations, emerging from collective enterprises, that pursue common principles and shared structural elements:

- *the objective of the social economy enterprise is to serve its members or the community, instead of simply striving for financial profit;*
- *the social economy enterprise is autonomous of the State;*
- *in its statute and code of conduct, it establishes a democratic decision-making process that implies the necessary participation of users and workers;*
- *it prioritises people and work over capital in the distribution of revenue and surplus;*
- *its activities are based on principles of participation, empowerment, and individual and collective responsibility.*

Based on these principles, we could see that the social economy was not a new concept, neither in Quebec, in Canada, nor in the rest of the world. In fact, the social economy had been a part of the socio-economic landscape in Quebec and Canada for over a hundred years. It is a term that refers to all forms of organisation or enterprise that are not private or public – and that means a lots of organisations some of which, like the credit unions and the agricultural co-operatives, have been around for years.

Large and inclusive, the definition of the social economy which prevails in Quebec today is principally associated with the so-called “new” social economy that emerged approximately thirty years ago, in the fields of community organisations, worker and consumer co-operatives, community economic development, etc. A portrait of the social economy in Quebec reflects its importance in the social and economic development of the province. Even

without considering the Desjardins movement, nor the two largest agricultural co-operatives, the social economy accounts for over 10 000 collective enterprises and community organisations, which employ over 100 000 workers.

But to get back to the Summit – getting the definition straight was only the first problem for our working group on the social economy. Defending the idea of democratic economic development in the current ideological context was a second one – people on the left and the right viewed us with suspicion. And the biggest challenge was convincing the diverse networks within the social economy – the network of co-operatives, community groups, local development workers, business associations and sector-based organisations – of the necessity to work together despite so much diversity, with a common goal: to achieve visible gains that corresponded with shared objectives, but particularly to demonstrate the potential of collective enterprise or organisations. This involved establishing a clear definition of the social economy, making its past achievements more visible, and proposing a series of sector-by-sector strategies that would allow for the emergence of new economic activity, able to respond to social, economic, and environmental need. It was also necessary to identify the conditions under which the social economy could emerge and flourish. The conditions established ranged from a formal recognition of the role of the social economy within the socio-economic landscape in Quebec, to the integration of local and regional development policies that would ensure support for collective enterprise, to equal access to the development incentives offered to traditional enterprise, to changes in legislation on co-operatives, which would allow for the creation of solidarity co-operatives, to the establishment of new training and funding tools. etc

This plan of action, submitted during the Summit on the Economy and Employment in October 1996, received enthusiastic support from some and suspicion or scepticism for others. But the fact is that we delivered the goods. During the past seven years, not only have the majority of the elements discussed in this plan been accomplished, thanks to local actors involved in many sectors of activity, but many new plans, projects and initiatives have also been developed and implemented. A profound cultural change has taken place that has mobilised social actors to work closely together - unions, community groups, women's groups, environmental militants, fair trade activists, international development agencies and even some private sector actors – in a movement for a more democratic, pluralist and inclusive economy. We have not given up fighting what is wrong – only last year the anti-

poverty movement mobilised thousands and thousands and forced the adoption on a law against poverty – but we are working even harder on figuring out what is right and trying to do it. And we have made many steps forward, with many more yet to come. But over the past 7 years, non-profit and co-operative enterprises have flourished, responding to a variety of challenges and needs including social inclusion, creation of jobs, creation of new accessible services, answering recycling needs, social tourism, emerging and alternative cultural production, community radio and television, jobs for the handicapped, etc etc.

The success of this large partnership and this shifting culture resulted in the transformation of this temporary working group created for the 96 Summit, into a permanent structure. Thus, in April 1999, the *Chantier de l'économie sociale* held its first general assembly, and elected a board of directors. This board consists of 28 people elected by different electoral colleges, in order to represent the diverse realities of the social economy. The membership and Board of Directors of the *Chantier de l'économie sociale* includes representatives of networks of co-operative and non-profit enterprise, of local and community economic development networks and representatives of the large social movements which share the values and vision of the social economy. The social movements involved are the community movement, the women's movement, the social housing movement, the labour movement, the environmental movement, the co-operative movement, the recreational movements in the non-profit sector and a new and growing movement in Quebec and internationally, the movement for cultural democracy.

The *Chantier* has the following mission: to promote the social economy, to support the consolidation, experimentation and elaboration of new projects and fields, to encourage consultation between the diverse participants of the social economy, and to ensure that these actors be represented within the public domain. For the most part, the *Chantier* depends on existing networks and resources – we are fundamentally a network of networks. With limited resources, we work at building stronger networks and partnerships that are based on common ideas and strategies. For example, the *Chantier* was behind the creation of a new financial instrument, called the Réseau d'investissement social du Québec (RISQ). This institution, which has ten million dollars available for investment in social economy initiatives, is the result of contributions from the private sector, and well as from the government of Quebec. The RISQ is jointly administered by private sector subscribers as well as by social economy actors. The *Chantier* also co-directs an inter-university research partnership, a CURA

involving 4 universities and a whole series of social economy networks. As well, the *Chantier* founded the *Comité sectoriel de main-d'oeuvre de l'économie sociale et de l'action communautaire* which, in partnership with public employment institutions and the actors in the social economy, works hard to improve the management skills of workers in diverse sectors of activity.

Today in Quebec I think that it is fair to say that one of the strongest and most visible progressive movements in Quebec is the social economy movement. It is strong for many reasons of which the primary one is the fabulous work that is being done by what I call with much pride our social entrepreneurs in communities across Quebec. But it is also strong because we have been able to network the networks, to work on what unites us and not what divides us, and most of all to work together to find solutions by trying new ways of doing things. We don't always succeed but we learn from our errors and it has made this whole process an exciting place to be.

Perhaps one of the strongest indications of the force of this movement is the fact that Paul Martin has adopted the social economy in his discourse and has stated time and time again over the past 6 months that the social economy is one of his priorities at least in Quebec. Whether the discourse will translate itself into policy and dollars is another question, but I thought it might be of some interest to this audience in the context of Martin's imminent accession to power.

Now all this makes a good story that I love to tell, but the fundamental question I think is how does one operate this kind of cultural change in community and in policy. (for obviously if we have had this success it is also due to changes in public policy)

I wish I could give you a quick fix answer. But of course it is never that simple. And yet it seems to me, from what I have seen in my recent intense exchanges with the rest of Canada, is that somehow or another there are some major cultural shifts that will have to take place in communities and within civil society if we want to have the changes in policy that most of us here at this conference seem to desperately wish for.

And as someone also mentioned earlier in the conference, the issue is not just having the evidence. I don't want to underestimate the role of research and evaluation. But it evidence

was what drives change in the world, it seems to me that neo-liberal ideology should have been dead and buried years ago. Isn't the disaster in Africa sufficient evidence that the current form of globalisation doesn't work? Isn't the fact that poverty and violence are on the increase in many industrialised countries sufficient evidence to question the current liberal agenda? And yet, though we may be right, we are not in control and the only way we will move forward is by uniting our voices, deepening our roots and creating the necessary alliances to move our agenda forward in a political but non-partisan way.

Easier said than done you will all tell me? True. And yet it seems to me that there are too many people out there who understand that we need a shift in community and policy culture to not give it an honest try. So let me throw out some ideas about what are the necessary ingredients for those cultural shifts to take place and what cultural shifts we are talking about, and how those two things are linked.

I think that the first cultural shift that has to take place is an internal shift within the community sector and within social movements in Canada. There has to be a substantial move from opposition to proposition, from conservation to innovation in the political discourse. It seems to be that that kind of change is happening in a concrete way in communities all over the place. But it doesn't seem to be coming up on a policy agenda in a clear and co-ordinated way. Even if the evidence is there (and with all the researchers in this room it seems that there is more than enough evidence out there) it is not sufficiently on the public agenda because the links between all the best practices and the research and the best policies are not being promoted in a co-ordinated way and are not being co-ordinated with various social movements that share the same values and concern. The social economy movement began as a movement in Quebec when people started to realise that by putting together all our individual or sectoral successes we represented a critical mass that was significant in terms of jobs, impact, service delivery and increased collective control of the means of production. In Quebec we can now boast that we represent 7% of the GNP. I was told by Lyne Toupin the other day that 1 million people earn their living in the voluntary sector – and yet it is still being called the voluntary sector in Canada.

Which brings me to a second major cultural shift that I think is urgent – the shift from nostalgia for the welfare state to a serious rethinking of what progressive government should look like in 2003. This is a very fundamental question. For it means moving from a vision

where choices in development are based either on the private sector or the public sector to a recognition that we live in a pluralist economy where there is a role for another major actor – call it the social economy, the third sector or invent another name- and that this social economy, this form of engagement of civil society in the production goods and the delivery of services in defence of the collective good – is an important way to move our societies forward and renew economic and social democracy through active citizen participation. Until the social economy or non profit or community sector begins to define itself as an economic and social force, independent of the state and not creatures of it, how can we expect to influence policy in a significant way?

Another cultural shift that must take place I think is the way we understand the link between social and economic development. Once again I think that instinctively or even intellectually many people agree. And yet, we continue to talk about welfare to work as a social issue – we continue to restrict the discussion to the social sector and government when I think that we must be challenging the private sector, the union movement and educational institutions and make it their problem as well. For it seems clear that we will never solve the problem if we do not look for solutions in the very way we do development in our communities, in our countries and in the world, if we do not find ways to democratise our economy, And in order to do that, the social sector must impose itself as an actor in economic development – not an easy task, I agree, and certainly a major cultural shift for social movements - but one that is key to fundamental social change.

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These are some of the key cultural shifts but there are many others – particularly in the area of continued education and economic and social policy. And I am not saying that these cultural changes are easy to make. There are no shortcuts either to making the shifts- no way to avoid the debates and sometimes-painful confrontations that are essential for these shifts to take place. In Quebec, there was not shortage of these debates – within the social movements, within the union movement, between different movements, and so on. Public sector workers worried we would be accomplices to the privatisation of public services. Certain community organisations feared that defining themselves as economic actors was equivalent to selling their souls. Others feared that by concentrating on development we would forget our role of advocacy.

But we have come through these debates stronger than ever. They have been necessary and for the most part, constructive. The presence of social movements within the structure of the Chantier has even made these debates an integral and institutionalised part of our dynamics. At the same time, it has put us into a position to negotiate policy shifts that are far from perfect but certainly have helped us move the debate and the practice forward.

So in conclusion let me just say that it seems from what I am hearing that there is not only the evidence but perhaps the opportunity for some policy shifts that could make a difference for marginalised people living in communities across Canada. And even though we don't collectively have all the answers, it seems to me that we do have a darn good idea of what can work. The question is – do we have the ambition and the capacity to take this discussion to another level by working collaboratively to make real change? I certainly hope so.

Thank you.