

## **Local development and the social economy in urban Quebec – Community Development Economic Corporations (CDECs)**

Since the early 1980s, the community development economic corporations (CDECs) created by community groups involved in health, housing, welfare and other issues – have become major non-profit associations.

CDECs offer support for local entrepreneurship by providing technical assistance, training, advisory services and networking. They support business development in collaboration with specialized services at a regional level. They also have been important agents of social cohesion through their involvement in development processes to reconcile diverse concerns and interests and improve the quality of life in their communities. They are involved in issues of urban planning, cultural vitality, etc. An important aspect of their work involves labour force development and integration of target populations. This work is carried out in collaboration with decentralized public employment services.

There are currently 13 CDECs in Quebec's cities, covering territories which regroup a total population of 1.6 million.

### **ACTORS INVOLVED**

The CDECs voluntary boards are comprised of over 400 people from different backgrounds (e.g. community organizations, businesses, cultural organizations, labour unions, municipalities and local financial institutions). They are elected by members through a process of electoral colleges.

The CDECs receive support from all three levels of government. The Government of Canada encourages their activities in the field of SME development through its Quebec regional development bureau, Développement économique Canada. The provincial government of Quebec offers substantial support in collaboration with the Cities of Montreal and Quebec as part of Quebec's local development policy. Annual funding for these corporations is provided, in order of importance, provincial, federal and municipal governments.

### **HOW THEY WERE IMPLEMENTED**

The City of Montreal was facing severe economic difficulties in the 80s. Industrial decline, the impacts of the economic crisis and urban sprawl had resulted in a severe rise in poverty and unemployment in many urban neighbourhoods.

Traditional social actors initiated a community economic development process that led to the creation of the first CDECs in three different neighbourhoods. These organizations expressed opposition to the economic theories that promised that strong economic growth would 'trickle down' to poor communities and solve socio-economic problems. It seemed to the initiators of this local development movement that only community action and new types of partnerships in economic development could respond adequately to local challenges, even in an urban setting. They reached out to local business people, local institutions and municipal, regional and federal authorities to support a process of community revitalization based on community mobilization and partnerships.

The Quebec experience of local development in urban communities through CDEC has enjoyed a particularly favorable context for social dialogue among a variety of stakeholders. Social dialogue is now seen as an essential component of political culture.

### IMPACT

The impact of CDECs was evaluated in a study of the period from 2007-2008. During that time, nine CDECs in Montréal supported 2,250 enterprises through advisory services and had invested \$7,053,000 in 254 enterprises, of which \$2,410,000 were invested in social economy enterprises. These funds leveraged a total of \$39,147,000, creating 1,397 jobs. The CDECs in four other smaller cities supported 245 enterprises, creating 1,372 jobs.

### Development agencies everywhere in Quebec:

Following the recognition of the success of the first CDEC, in 1997, the provincial policy of support to local and regional development committees established local partners all over the province. These are the local development centers (CLD), that are mainly present in rural areas and other CDEC in the major urban areas of Quebec. CLDs have as mandate to support local entrepreneurship and regional development. The governance of the CLD is determined by local politicians and the law requires a minimal participation of representatives of the private sector and of the social economy. CDECs for their part have managed to maintain their original structure of governance based on the participation of different actors of civil society. There are 120 CLD, located in all regions of Québec in both urban and rural areas.

This experience offers valuable lessons for other jurisdictions, because of the social innovations inherent in its development. The process initiated by social movements and organizations, large local alliances and forms of multi-actors governance, integrated approach to development, the support provided by the three levels of government as well as financial, technical and flexible educational placed under local control are all elements that can be adapted and applied in other contexts. But these innovations are based on the ability of governments and social partners to exploit new forms of collaboration and new approaches to development.

**The CDECs of Quebec enable an community economic development approach that is global, integrated, based on concertation, mobilisation and the participation of all of the stakeholders of a community.**

### AUTHORS—COLLABORATORS—SOURCES

Adapted from the document; [“Social and Solidarity Economy: Our common road](#)

To read more: <http://lescdec.org/>

