

## Labour unions and the Solidarity Economy: The Quebec experience

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***Québec province labour unions have supported the social and solidarity economy. They have created investment funds and credit unions. Most day-care centers (non-profits) are unionized. One union in particular, the Confédération des Syndicats Nationaux (CSN), has been in the forefront of this activity. How did this come about? This article tells part of the story<sup>1</sup>.***

This paper is mainly based on the presentation made at the Forum on the Solidarity Economy, but also includes other material, and will take into account developments that have taken place in the last months. Finally, the paper will give some thoughts and considerations about the more global question of labour unions and building the solidarity economy.

This paper is inspired by my own personal involvement in unions in Quebec province. From 1968 to my retirement as a college teacher in 1997, I was a union activist, in my local union, at regional level and at the national (Quebec) level. For readers outside Canada, it is important to mention that Quebec is considered a *nation*, the only French speaking society in North America, and the largest nation of French origin outside of France. My involvement was within the Confédération des Syndicats Nationaux (CSN).

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<sup>1</sup> This article is written in good part from personal history. The author has been actively involved in Québec society social movements for over 40 years. No specific research has been done to prepare this paper, except for up to date statistics.

## History of labour unions in Québec province (a brief picture)

Unionization in Quebec came from two sources. A first source was American unions which were at the forefront of many unions in Canada. For example, in the 19<sup>th</sup> Century, the U.S. union, the Knights of Labour were behind many initiatives in Canada and in Québec province. This is a rare situation since in most countries unions are national organisations, which are affiliated to international organisations. In the early part of the 20<sup>th</sup> Century, most unions in Canada were either members of, or affiliated with U.S. unions. Even today, many Canadian workers are members of North American unions. For example, the United Steelworkers on America includes Canadian workers and is one of the largest unions in Canada. However, over time, some members have become independent. For example, the Canadian Automobile Workers (CAW) split from the U.S. United Auto Workers in 1984.

The **second** source is mostly of European and Catholic inspiration, and was in part meant to be independent of international (mostly U.S.) unions. In May 1891, Pope Léon XIII published the encyclical letter *Rerum Novarum* in which he condemned the fact that the “the majority of the working people live in misery and poverty.” He also condemns “socialist atheism.” This became the inspiration for the organisation of Catholic unions. Since the Catholic Church was very strong in Québec society (until the 1960s), it was a leading force in the creation of unions. In 1921, the different Catholic unions in the province created the Canadian Confederation of Catholic Unions. In 1960, the organisation became completely lay (non religious) and changed its name to the Confederation des Syndicats Nationaux (CSN)<sup>2</sup>.

### A brief overview of Quebec society

To fully understand the history of unions and the social solidarity economy in Québec, a very brief presentation of the socio-economic history of the society itself is necessary.

Québec province has the second largest population in Canada with 8 million people out of a total population of almost 34 million. About 80 percent of Québec’s population is French speaking compared to less than 5 percent throughout the rest of Canada. There is a long history of struggle to protect French speaking culture and the rights of French speakers in Québec.

After the British conquered New France (which was the name of the French colony established in Québec City in 1608), the economy, and in particular the financial sector, became controlled by the English speaking bourgeoisie. Discrimination against the French speaking population resulted in high rates of poverty and under-education.

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<sup>2</sup> The official name is in French only. In English, Confederation of National Trade Unions (CNTU) is sometimes used.

This gave rise to a movement in Québec society for independence and/or stronger autonomy and two referendums for independence have been held. The last one in 1995, was very close with only 50.1 percent voting to reject independence. This movement has created a very strong sense of national identity which underlies the Québec nation.

This background of resistance and nation building was intertwined with the development of social movements such as unions and the promotion of cooperatives as an economic tool to fight poverty and marginalization. In a sense, there has always been a sense of *solidarity* in the society that at least partially accounts for the strength of social movements such as unions.

Changes in Québec society have been extremely fast and deep in recent years. In just one decade, from 1960 to 1970, a backward conservative society was replaced by a progressive one, including a modern welfare state, somewhat similar to the Scandinavian model. Changes were so deep and profound that the expression *quiet revolution* has been coined to describe what happened.

### **Cooperatives and non-profits**

The cooperative sector, the historic *social economy*, is one of the most developed in OECD countries, especially in the financial sector. Although there were earlier examples, the present day coop movement started with Alphonse Desjardins, with the help of his wife Dorimène, who founded the first credit union in 1897. With the help of the church, this model was extended all over the province and for the first time, gave the French speaking community access to banks.

Today, the Desjardins Movement is the largest financial institution in the province of Québec and one of the largest in the world with over \$152 billion in assets and a membership of 5.8 million. Altogether, over 80 percent of the adult population in the province are members.

From the 1930s to today, cooperatives have been created in many sectors. In many small towns, there was a credit union, a coop grocery store and an agriculture coop. Today, there are over 3000 non-financial coops with annual sales of \$10 billion. They operate in all sectors including agriculture and fishing, grocery stores, forestry, worker coops, home-care, housing and in the funeral sector. Government statistics show that cooperative businesses have a much higher survival rate than a private enterprise: after three years coops have a survival rate of 75 percent compared to 48 percent for private enterprises, after 10 years the survival rates are 40 and 20 percent

respectively. A recent change in the law allows *solidarity coops*, which are multi-stakeholder coops like the social coops in Italy.<sup>3</sup>

Over the last 30 years, many social enterprises have also been created using the non-profit provisions of company law. Some non-profit associations have started doing business for income purposes, while others use this law instead of the coop law since it has fewer regulations. In many cases, such as daycare centers, the non-profit law was seen as the “normal” way. In other instances, such as housing, non-profits are used as an alternative because there is a lack of funding for cooperative housing. Community land trusts would also fall into this category. Since some non-profits combine business and non-business activities statistics are much harder to establish.

### **Labour Unions in Québec province**

Quebec’s rate of unionization is 40 percent - the highest in North America and it has been holding steady for over 30 years. This is all the more impressive when compared to most OECD countries, where the rate has gone down. The rate in the US is 14 percent.

The nature of Quebec society explained above is certainly part of the answer. However, many other factors have played a part, including a generation of leaders with the foresight to integrate the social democratic experience of Scandinavia and Germany where unions were considered “social partners” alongside government and employers. Another reason is that while most labour unions in the world restrict their activity to collective bargaining and the protection of workers’ rights, Quebec unions extend their activities to most social issues such as gender equality, peace, poverty, electoral reform, health and education, equal rights for gays and lesbians, environment, etc.

Quebec’s Labour Code is recognized as the most progressive in North America (British Columbia also has amended their own following the Québec example). Normally, once a majority (50% plus 1) of workers sign up to join a union, the Ministry will certify the existence of a union. The anti-scab provisions of the law (for legal strikes) work very well and have “civilised” labour relations. The Labour Code also has provisions where an arbitrator can decide on a collective agreement when the parties cannot agree. Even with this Labour Code, some sectors are impossible to unionize. For example, two of the most anti-union multinationals in the world, Wal-Mart and MacDonald’s, and most large banks don’t accept unions.

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<sup>3</sup> For information on social cooperatives in Italy :  
[http://en.wikipedia.org/wiki/Cooperative#Social\\_cooperative](http://en.wikipedia.org/wiki/Cooperative#Social_cooperative)

## **Unions in Québec: a who's who**

Approximate figures (2008/2009)

### **Fédération des Travailleurs du Québec (FTQ)**

The Québec province Federation of the Canadian Labour Congress (CLC)

Some are affiliated to U.S. unions (Steelworkers)

450 000 members

90% Private sector - 10% Public sector

### **Confédération des syndicats nationaux (CSN)**

99% of membership in Québec province

275 000 members

60% Public sector (mainly health sector) - 40% private sector

### **Others**

CSQ 170 000 (100 000 in education)

CSD: about 70 000, mostly private sector

Members of CLC not affiliated to FTQ : about 75 000

SFPQ and SPGQ: Government employees 50 000

Nurses: 40 000

Smaller groups - about 50 000

## **Building the solidarity economy: Part 1 - 1970 to 1995**

Between 1970 and 1995 there were many economic upheavals such as the oil crises in the 70s, the relocation of manufacturing to Asia, and long term structural unemployment in Quebec and other OECD countries.<sup>4</sup> Unions pushed governments to adopt measures to support employment and even demanded that governments solve the problem altogether by enacting laws to ensure full employment. Even when asking for such measures, unions in Quebec understood that they also needed to undertake initiatives themselves.

### **Caisse d'économie solidaire Desjardins: an innovative credit union**

In 1971, CSN activists in Québec city decided to create a new credit union with an innovative mission. A "regular" credit union already existed, which mostly provided savings and loans for individuals. The new credit union decided from the outset on a more collective approach. Instead of having the best interest rates on deposits, collective services were put in place such as group purchasing of home heating oil. Members, either unions or union members also agreed to put some of their savings in

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<sup>4</sup> For a more detailed picture of evolution in Québec and North American societies. Poirier & Kawano, *Visions related to building the solidarity economy and related alternatives in North America*, August 2008,

interest free accounts. These funds could then be loaned at very low interest rates for building housing coops and making interest free loans to workers on strike.

This credit union joined the Desjardins credit union movement in 1979, in part because of the need for computer based services such as direct deposit. Many changes came about over the years and in the 80s and 90s, it merged with other worker credit unions, eventually taking on the name, Desjardins Solidarity Economy Credit Union (*Caisse d'économie solidaire Desjardins*). Over the years, other unions such as the teachers and public sector workers unions have become members. Although it is only one of the 550 credit unions within the Desjardins movement, it has kept to its original philosophy of pooling together the savings of workers to improve the quality of life, and work together to build a solidarity economy.<sup>5</sup>

Today, in 2010, the Caisse is at the heart of the social and solidarity economy in Québec and is recognized in other parts of the world as being in the forefront of building a people-centered economy. In particular, what is outstanding is its capacity to fulfill its mission, and remain faithful to its original values, while at the same time meeting all of the obligations and rules that are required of all banks.

### **MCE Conseils: giving unions financial expertise**

In 1987, the CSN initiated MCE Conseils, a non-profit consultant firm that helps unions in various ways. For example, when a company decides to close a factory, the MCE Conseils can help to develop a business plan for the workers to buy out the factory and form a worker coop. Often, in collective bargaining, the employer asks the workers to cut back wages and is often prepared to open all financial statements and information. MCE Conseils are hired to do a financial analysis of the position of the firm from the perspective of the union and workers' needs. Over the years, this has become an important tool, and the MCE Conseils partner with many organisations in Québec province, as well as in other countries such as Brazil and Mexico.<sup>6</sup>

### **Bâtirente**

In 1987, the CSN initiated a financial tool called Bâtirente (literally, building retirement revenue). This is a collective savings funds to help CSN members save for retirement. Unlike the workers funds (discussed in the next section), there are no specific tax incentives to support these retirement savings. Banks and investment companies offer many different types of funds that workers could put their money in. Since many workers have no pension plans, this is a way of pooling together funds, and

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<sup>5</sup> International Newsletter on Sustainable Development #39, June 2007, Yvon Poirier. <http://local-development.blogspot.com/>

<sup>6</sup> <http://www.mceconseils.com/langues.html>

have the unions run it instead of having their money be managed by private capitalist funds. Bâtirente has set up eleven investment funds to suit the different needs of their members (from less risky to more risky). At the end of 2008, \$750 million in savings were managed by Bâtirente.<sup>7</sup>

### **Workers funds: an innovative approach**

In Canada, pension plans exist in the public sector and in larger businesses. Professionals (lawyers or doctors), and most SME (small and medium business) have no pension plan at all. To encourage savings for retirement, the governments in Canada have set up Registered Retirement Savings Plans (RRSP) which are similar to Individual Retirement Accounts (IRAs) in the U.S. All investment in these funds is 100% income tax deductible. Income tax is paid only when a person (usually a retiree) takes money out of the fund. People with good pension plans are also encouraged to have more savings for retirement.

In 1984, the Fédération des Travailleurs du Québec (FTQ) asked to the Quebec government to set up a workers pension fund that could invest in the Québec economy to create and save jobs, and to improve savings for retirement. This was a very interesting initiative since usually pension funds have to prioritize maximizing the growth of the pension fund. Since saving and creating jobs could be a relatively risky investment, a tax credit of 30% (15% provincial and 15% federal) was added to this measure. This fund was created by law in 1984. Called the Quebec Workers Solidarity Fund (Fonds de solidarité des travailleurs du Québec (FSTQ)), this fund has become very popular and now has about \$6.5 billion, making it one of the largest investment fund in the province.

The mission of the FSTQ<sup>8</sup> is defined as follows:

- To invest in Québec businesses and provide them with services to enhance their development and create, maintain and protect jobs in Québec;
- To promote the economic training of workers so as to allow them to contribute to Québec's economic development;
- To stimulate the Québec economy through strategic investments that benefit both employees and businesses;
- To make workers aware of the need to save for retirement and to contribute to economic growth by purchasing shares in the Fund;

To achieve its mission, the Fund seeks to grow the savings its shareholders entrust to it and provide them with a fair return. Besides helping workers/taxpayers to save for

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<sup>7</sup> <http://www.batirente.qc.ca/en/batirente/profile>

<sup>8</sup> <http://www.fondsftq.com/internetfonds.nsf/VWebTAN/AprAcc>

retirement, the fund became very popular because of the tax incentives. Say for example a teacher or automobile worker earns \$50,000 a year and invests \$5,000 in the FSTQ. She would not have to pay taxes on this investment. Since she would be paying about 30% income tax, this means she would get back about \$1,500 after filing her income tax report plus a further tax credit of 30% is given, boosting her return to \$3,000. In other words, an investment of \$5,000 will cost the worker only \$2,000, or 40 percent of the total investment. Depending on the person's income, sometimes it will only cost 30 or 35 percent.

Any taxpayer can invest in this fund, even an owner of an enterprise, but most of the investment comes from unionized workers, which is reflected in the make-up of the Board. The law also stipulates that the FSTQ has to invest at least 60% in the Québec economy (the rest is in guaranteed bonds), usually by investing directly in a business, whether through buying stocks, lending, or loan guarantees. The investment policy of the FSTQ ensures that they will not invest in a company that is not unionized. In practice, the FSTQ invests in companies that have unions affiliated to the FTQ. This means the business has to open up the books to the workers. This also has given considerable bargaining power to the unions in the businesses. Until 1997, the FSTQ fund did not invest much in social enterprises (coops or non-profits).

In 1995, the government agreed with a proposal by the CSN to create a second workers fund called **Fondaction** (action fund) to support the development of cooperatives and employment.

The law itself (Article 17), specifies:

*17. The Fund<sup>9</sup> invests mainly :*

- 1. in self managed enterprises, cooperatives or others, that provide the distribution of votes equally among all shareholders or members;*
- 2. in enterprises whose work organization permits the participation of workers in the definition, organization and control of their work;*
- 3. in enterprises with an environmentally friendly approach including commitments, practices or activities that contribute to maintaining or improving environmental quality.*

The FONDACTION mission is therefore much more oriented to social economy than the FSTQ. The rest is quite similar to the FTQ fund. The Board is mainly made up of CSN members; the tax advantages and the obligation of investing at least 60% in enterprises in Québec province are similar. As of May 2009, the accumulated savings in the FONDACTION was about \$650 mil.

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<sup>9</sup> <http://www.fondaction.com/>

## Building the solidarity economy: Part 2 - 1996 to today

Unemployment was quite high in the early 90's. Social movements, in all sectors of society, proposed different approaches. Many associations and non-profit organizations were created to initiate economic activities, including job creation and income generation.

An historic event in Québec was the women's *Bread and Roses* march in June 1995. Women's associations and allies, including unions, marched from the East and West of the province to the capital Québec city. The march was intended to pressure the government on social and economic issues facing women such as poverty and lower income. For example, since more women than men occupy minimum wage jobs a 50% increase in minimum wage was proposed to help women get out of poverty. Another important demand was for funding of what they called *social infrastructure*. This march led to the international women's march at the UN in 2009, which has given birth to the international organization *World March of Women*.

In 1996, the Government of Québec province convened a Summit of the different "social partners." Faced with very high rates of unemployment and public debt, the government sought to reduce the budget deficit to zero. The Prime Minister Lucien Bouchard, of the Parti Québécois (nationalist and social democrat party) called an **Economic and Social Summit** where, for the first time in history, social and community organizations were invited as full partners alongside the traditional tripartite partnership of government, business and unions. Different workgroups were set up, including one on the social economy. At the final meeting in October 1996, all social partners adopted the social economy as a priority for job creation and for fighting poverty. The unions agreed to renounce their wage increases because the government, and the private capitalist sector, agreed that social economy would be supported by government policies. Some large corporations even agreed to give a few million dollars for a venture capital fund to support startups in non-profit organizations (NPOs). They thought it was a handout. But today, most of the capital outlay is still there, and proves that social economy enterprises are quite successful. The only discordant notes were from some social movements who said this was too reformist and from some sectors of the union movement who were afraid the government would privatize some services. These fears have been dissipated in good part over the years.

Unions, and in particular the weighty public sector unions, played a key role in this difficult situation. Some of the unions such as the FTQ that were closer to the party in power were more ready to accept an agreement with the government to reopen the collective contract of public sector workers. Besides being politically closer to the

ruling Parti Québécois (the social democrat sovereignty party), the pressure on them to resist givebacks was much weaker since only 10% of their membership was in the public sector.

For the CSN, the situation was quite different. Almost 60% of the membership was in the public sector, and the leadership of the public sector unions was much more radical. Without something in exchange, there would have been a NO vote in the affiliated unions and this could have provoked a social crisis in Québec society. The CSN President Gérald Larose played a key role in getting the government and the private sector (including large corporations) to agree to include job creation and poverty reduction in the new policies. In addition to the agreement to support the social economy and the venture capital fund, a three year policy was put in place where employees and employers would each contribute \$1 per employee into a fund to support projects fighting poverty. Over the next three years, more that \$250 million was generated to support initiatives in different regions of the province.

Despite the positive aspects of the policies agreed upon by the government, other unions, and the private sector, the uproar within the public sector unions of the CSN was quite strong. In some public meetings, some more radical members accused the CSN leadership of selling out and capitulating to right wing policies. A fairly important minority voted against reopening the contracts. This was a very tough period for the CSN. However, in the end no permanent damage was sustained since all the other unions and most of the social movements signed on to the Summit agreements.

### **The Chantier de l'économie sociale du Québec and the CSN**

From the onset, the CSN agreed to join the *Chantier de l'économie sociale du Québec* which was set up after the Summit with government support, to advance the new policies, and work with the government programs to support the new initiatives. Alongside the CSN (and other unions), many social movements and development organisations joined the Chantier. For example the women's movements, environment organisations, local development organisations, and different concerned organisations such as the association of day-care centers became members. In sum, the Chantier has become a network of social economy networks in Québec. The only exception is the cooperative sector which in general prefers to work on its own. However, some sectors of the cooperative sector are members of the Chantier (while continuing networking within the cooperative sector).

Early after the 1996 Summit, an agreement was struck between the Chantier and the CSN. In particular, the Chantier agreed not to promote or support in any way social enterprises that would directly, or indirectly, result in the loss of jobs in the public sector. In particular, it was agreed that medical services (such as blood pressure tests or giving injections) would not be in the within the mandate of the NPO organisations in the home care sector.

The CSN has continued to be involved in the Chantier, and has had a seat on its Board of directors of from the start.

The CSN is also indirectly involved in another manner at the national level. In 2007, a Trust fund (Fiducie in French) was set up by the Chantier to invest in social enterprises and fill the gap in patient capital. The *Fiducie* fund was set up with the following contributions: Federal government - \$22.8 mil., Province of Québec - \$10 mil., FSTQ - \$12 mil., Fondation - \$8 mil. It is interesting to note that the two workers funds have together invested almost 40% of the total fund.<sup>10</sup>

### **The CSN and social solidarity economy - a key player**

We have seen that the CSN has been at the heart of many social solidarity economy initiatives. Now, we turn to an exploration of the factors that led to this strategy.

We need to go back to the roots, and the organisational structure of the CSN to get part of the answer. Unions engaged in work at the local level existed even before the Confederation was created. In Québec City, where it had its first headquarters in 1921, local unions already had formed a local council of unions. Historians mention that this existed in the late 19<sup>th</sup> Century.

Thus the CSN was organised around three pillars: the Confederation itself, the Federations and the Central Councils (the City or Regional labour councils). These Central councils are similar to the Labour councils in place within the Canadian Labour Congress (CLC) or in the U.S. with the AFL-CIO. In the case of the CSN, this triple affiliation for local unions is an obligation. In the case of the CLC, membership in provincial Federations and local councils is voluntary. So, to attract members, the membership fee to join the provincial federations and the local labour councils is rather low and this translates into imbalance in resources . For example, the Quebec district of the United Steelworkers with 60 000 members, has at least as many staff as the Québec Federation of Workers (FTQ) with its 450 000 members.

In contrast, since membership in the local councils is mandatory in the CSN, membership dues are higher and therefore the CSN has much more capacity to actively engage on a local level on many social issues besides union work. Since in the CSN, there is a much better balance of financial and human resources between the three levels of the organisation, this allows for the CSN itself to have important capacity such as a research service at the national (province) level. The same is true in the local councils. In Québec city the CSN central council has many times more resources than the FTQ regional Labour Council.

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<sup>10</sup> <http://fiducieduchantier.qc.ca/?lang=eng>

In addition to having more of a local focus, leadership and vision have also played an important role. For example, in the 1920s, the CSN council in Québec city advocated for changes in the law to require that the Mayor be directly elected by all citizens and not by the city councillors. This just shows that even in the 1920's, the CSN unions engaged in advocacy work far beyond strict collective bargaining or workers' needs. Unions all over the world have done this, but Québec unions, and namely the CSN, have pushed this further, especially in the last 50 years.

Québec society went through dramatic changes in the 1960's and the CSN was an important actor in this process, promoting a progressive vision of society. The CSN pushed for government policy to put in place community organisations that would educate the public in economic matters such as credit, debt, personal finance such as household budgeting, etc. Even today in 2010, almost 50 years later, these government supported organisations, called ACEF, still exist.

At the 1968 CSN Congress, it was decided to adopt a strategy called the "second front", the first front being collective bargaining and workers rights. In an internal document (2006)<sup>11</sup>, this is explained in the following manner:

...this "second front" wants to link the trade union struggles to people's struggles of the era and proposes to expand trade union action in the areas of consumption and living conditions. Thus union activists got involved in the creation of food coops, community groceries, and cooperative housing. The CSN actively supports the work of citizen committees in the health field, particularly the creation of popular medical clinics. It was also at that time that activists of the CSN joined women's groups and parents to create day-care centers which provided the basis for future networks of day-care centers.

This vision was a direct inspiration for creating the Caisse d'économie in 1971 as well as the other initiatives mentioned previously. The CSN supports the creation of worker's coops. For example, unionized ambulance workers now run publicly funded ambulance services as workers coops. In recent years, the CSN has given its formal support to Fair Trade initiatives.

From the municipal up through the provincial level CSN representatives are usually involved as members of Boards of organisations such as Community Economic Development (CED) organisations or Local Development Centers. The CSN also is involved in social movements such as the peace movement, international solidarity, gender equality, etc.

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<sup>11</sup> *La CSN et l'économie sociale.*

In 2006 the CSN defined its vision as follows: *A vision largely inclusive of social and solidarity economy, a vision* that is based on principles of action or intervention such as:

- Orienting the economic towards social objectives and meeting social needs;
- Consequently, challenging the state to fulfill its regulatory and redistributive functions;
- Democratizing choices in development and investment, and democratizing the management of enterprises;
- Increasing employment and combating exclusion;
- Defending the mission of public services;
- Building solidarity within communities and generating social cohesion

This vision is closely aligned with all the social movements that are building solidarity economy as an alternative to neoliberal globalisation. The CSN also extends its work in the international arena. As all other unions, the CSN is involved in the International Trade Union Confederation (ITUC). The CSN along with institutions that it initiated, Fondation and Bâtirente, the Caisse d'économie and MCE Conseils, have gone one step further and created Développement Solidaire International (International solidarity development) to support international cooperation work. For example, in Brazil, there is a formal partnership agreement with the CUT (the Brazil confederation of unions) to develop financial tools such as the CSN has done in Québec.

Many people in the world view the social economy experience of Québec as one of the more advanced in the world. The same could be said of unions, and in particular the CSN. Very few union movements in the world have gotten so involved in building «another economy». The experience of Québec is not a model that can be duplicated, however, there are strategies that could inspire similar initiatives in other countries. In particular, the idea that unionized workers should pool together their savings and bank accounts to have an impact on society is certainly an idea that has attracted a great deal of interest from unions in other countries.

### **Looking towards the future - many challenges**

This paper has highlighted many positive initiatives, yet the challenges facing unions and solidarity economy are still huge.

Relations between unions and the cooperative movement are not always easy. For example, only a minority of workers in large coops is unionized. Most credit unions are not unionized. Some cooperatives are doing all they can to prevent unions. Formally, the CSN and the Coop movement collaborate and are often on the same wave length when pushing for government policies. However, at the local level, things are not as easy.

Unions themselves face important challenges. Right wing neoliberal think tanks all over the world are attacking unions. The liberalisation of trade forces countries and workers to engage in a “race to the bottom” to stay competitive. Very often, the very survival of jobs is at stake.

One question needs to be raised here. Unions and coops were the first line of defence and solution that workers and citizens organised in the struggle against the harsh capitalism of the 19<sup>th</sup> century. Unions and coops often worked hand in hand. Over time, especially in the second half of the 20<sup>th</sup> century, the two have taken separate paths and have lost the ideals of the founders. In general, this is probably the case in most countries.

Unions by themselves will not be able to tame neoliberal globalisation. The cooperatives will not be able by themselves to develop a more humane economy.

Let us hope that the recent agreement between the United Steelworkers of America (the largest union in North America) and Mondragon Cooperative Corporation (the largest workers cooperative in the world) to develop workers coops in North America is a harbinger of things to come. It is interesting to note that one potential source of capital that they have identified is the FSTQ.

Not only do unions and cooperatives need to work together, they also need to work with other social movements to resist oppression and create a society that puts the economy in its rightful place, in the service of the people and planet.

The Author

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Yvon Poirier is the Chair of the International Committee of the *Canadian Community Economic Development Network (CCEDNET)*. As a college teacher before he retired in 1997, he was a union activist in the CSN at all levels, from the local to the national. Since retirement, he is involved in networking, including internationally. In particular, he is involved since 2004 in *Intercontinental Network for the Promotion of the Social Solidarity Economy (RIPESS)*. He also participated in the World Social Forum in 2005 and in 2009. He is also co-publisher, since 2003, of an International Newsletter on Sustainable Local Development.