

Solidarity First

Building a movement
for just & sustainable
economies in Quebec

Nancy Neamtan



Canadian
CED Network
Réseau canadien
de DÉC

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CONTENTS

Preface by Pauline Marois	1
Preface by Paul Martin	5
Introduction	7
CHAPTER 1: 1983-1989	9
A Strategic Choice: Defining Ourselves as Economic Actors in Our Community	
A context of rising unemployment and social exclusion	9
A short history of the community economic development movement in Southwest Montreal.....	11
The beginning of a citizen's movement at the heart of the economy	12
Issues and lessons: necessary and sometimes difficult debates.....	22
Chapter 2: 1989-1996	28
Collaboration as a Development Strategy: The Path to Recognition as an Economic Actor	
The context: communities up against persistent poverty and unemployment	28
A short history of Southwest Montreal, continued	29
A revitalisation strategy that challenges traditional approaches	33
A pilot project in local development opens the door to innovation	34
Mobilizing community support for revitalisation efforts.....	38
'Economically viable and socially profitable' businesses: developing the social economy without even knowing it! ..	39
Issues and lessons	40
Chapter 3: 1996	46
Towards the Summit: The Social Economy Cuts its Teeth	
Context: an exceptional event in a singular context.....	46
'Daring Solidarity': the challenge is issued	47
The social economy makes its Quebec debut	51
Risking investment in the social economy: an unconventional partnership	54
The creation of a fund to fight poverty: an unexpected proposal	56
Issues and lessons	58

Chapter 4: 1996-2004 61

Community-based Collective Action: New Impetus for the Social Economy

Context: continuing economic recession 61

A short history: a ferment of movement building at the turn of the century 63

A time of debate and questioning on all fronts 77

Social economy and culture: an implicit if complex alliance 83

Quebec takes its place on the international scene 85

International networking and the social and solidarity economy 87

Issues and lessons 90

Chapter 5: 2004-2015 95

A Deeply-rooted Social Movement Stands Fast in Stormy Times

A little context 95

A short history (continued) 96

The Government of Canada stirs (briefly) from its slumber 97

A summit of our own attests to our strength 99

Growing the grassroots, differently 100

Social finance: for whom and by whom? 105

Responsible consumption: 'Social Economy – I'll Buy That!' 108

'Never a prophet in your own land' ... but our international reputation kept on growing 112

Investing in the Future 115

'This movement is our movement' 117

Towards a new economic logic: the role of the social economy in a new development model 120

Rethinking the Chantier: the value of tough questions 121

Framework legislation: 30 years after it started, a consensus over the movement's institutional recognition 122

Life after framework legislation is no 'smooth sailing' 123

The creation of TIESS: a new impetus for innovation in the social economy 125

From local to global: the partnership between municipalities and the social economy scales up 127

The end of an era: making room for the next generation 128

Issues and Lessons 129

Chapter 6: Epilogue 137

Appendix 1: Montreal's Southwest Challenges Bureaucratic Normalcy 149

Appendix 2: Letter of resignation from the Chantier de l'économie sociale 156

Appendix 3: Abbreviations 162

Afterword 165

Acknowledgements 167

PREFACE BY PAULINE MAROIS

It is an honour for me to thank Nancy Neamtan for having written this memoir. For almost 40 years, Nancy has been the architect and facilitator behind the social economy, Quebec's strategy for augmenting our economy and our quality of life, a humanistic approach whose originality and value now enjoy recognition here and admiration internationally.

Thanks no doubt to my training in community organising, I quickly grasped the pertinence of the social economy to empowering citizens and communities to take destiny into their own hands.

I am very proud to have been associated with the exceptional adventure whose story is told in this book. When I first visited Pointe-Saint-Charles to announce a welfare reform, I was received by a rather noisy (to say the least) committee that had decided that I would be the one doing the listening, not the reverse.

I suspected that the exercise could be a perilous one, but I thought that it was important and refreshing that citizens had got beyond criticism to propose new ideas and concrete projects. I could readily identify with Nancy and the organisers supporting her. They asked for help to design an action-research project: a project that would link the economic and the social by building on a neighbourhood's strengths; a project that would bring together enterprises and community organisations.

The next day, Nancy was so worried about my reaction that she came and met with my chief of staff to explain the context and the reasons for the hostility of certain militants. She didn't know that, on the contrary, this heated encounter had convinced me of the project's validity.

For the technocrats and certain of my colleagues, the whole thing might have looked like a pipe dream. For me, no doubt because of my experience in the community sector, it was audacious but very interesting.

For it to progress would require money, obviously. We hoped that the budget of the Department of Income Security could provide funds, but no program covered this type of action.

Nancy and the other militants had convinced me of the pertinence of their proposal and the depth of their commitment; and when I am

convinced, I really persevere. I managed to convince my colleague at the Treasury Board to support this initiative, to take the risk and dare to innovate. I emphasized the necessity to encourage projects through which people on welfare (as we then called social assistance recipients) could become independent and integrate into the economic and social life of their community.

The administration's reaction was predictable. They gave me a wry smile. My departmental managers were so opposed to the initiative that I had to hunt down another government agency to take it on. It was at the Quebec Bureau for Planning and Development¹ that I found the support to proceed.

I returned to Pointe-Saint-Charles to announce a substantial grant to embark on this adventure. My reception was well-nigh triumphant. Three pilot projects were accepted. Pointe-Saint-Charles constituted a veritable mini-revolution in the community sector: create enterprises and jobs by supplying the community with valuable services. It was to be one of the last projects launched by the Parti Québécois government before the November 1985 elections.

What happened next is better known. In 1996, at the Summit on the Economy and Employment presided over by Lucien Bouchard, one of the key ideas to be selected was the creation of an Association of Early Childhood Centres, designed after the model first tried in 1985. The working group or 'Chantier' subsequently rolled out across Quebec projects supportive of the elderly, social housing, the environment and even tourism.

In 2001, as Minister of Finance, I was able to respond to the high expectations of community actors with the introduction of a new instrument of capitalisation adapted to the particular needs of the sector, and with financial support for the Quebec Social Investment Network (RISQ).²

Finally, upon my return to government as Premier, I had the opportunity to ask that steps be taken to sustain this magnificent Québécois innovation. On October 10, 2013, the National Assembly unanimously adopted framework legislation on the social economy. The Act's objectives are to promote, support and foster its development. Sylvain Gaudreault, Minister of Municipal Affairs, Regions and Occupation of Territory, piloted the dossier.

¹ *Office de planification et de développement du Québec (OPDQ).*

² *Réseau d'investissement social du Québec.*

What a long way we have come! I do not exaggerate when I state that, thanks to the will and determination of a few people energized by Nancy, an authentic Québécois initiative has changed the lives of tens of thousands of people. It took audacity and a vision to convince people, mobilise them and succeed. Nancy Neamtan, the remarkable woman who bore this project along on her shoulders, deserves our praise and our gratitude.

Pauline Marois

Premier of Quebec 2012-2014

Montreal

July 15, 2019

PREFACE BY PAUL MARTIN

I first met Nancy Neamtan in 1992 when she was involved in revitalisation efforts in Southwest Montreal and I was beginning my political career as federal Member of Parliament for Lasalle-Émard. She immediately confronted me with the challenges created by the traditional approaches that governments took to social issues and argued for the right to invent new ways of doing things. I agreed to take up the challenge with her and her organisation, RESO (Coalition for the Economic and Social Renewal of the Southwest), once I was elected. I have never regretted it.

During the next decades, our very different paths did not prevent us from collaborating on several occasions in experiments that went off the beaten track. This collaboration was always based on a common desire to serve our communities better, and to do so, we had many obstacles to overcome. As a federal Member of Parliament, a minister and prime minister we put to the test new approaches that enlightened many people, the first of them being me! I learned a lot from this collaboration and I am proud of the results, as much for Southwest Montreal as for the development of the social economy in Quebec and Canada.

Today, while there is more and more talk about ‘social innovation’ to address complex societal challenges, this narrative that Nancy Neamtan has written of her experience with RESO and then with the Chantier de l’économie sociale is a passionate demonstration of the capacity of local communities to innovate and to find solutions, so long as they are given the means and the liberty to act. This history is rich with lessons not only for community-based actors but also for those who have made the choice to work within government agencies. It shows us the enormous potential we possess collectively if, regardless of our individual paths through life, we agree to collaborate for the sake of our communities. This lesson was pertinent in 1992 and remains pertinent today.

Paul Martin
Prime Minister of Canada, 2003-2006

INTRODUCTION

The story of Quebec's social economy movement is little known in Canada and even in many parts of Quebec. This may seem surprising given the interest that the Quebec model of social economy has aroused and still arouses in many countries and international organisations on all continents. And yet, social economy remains a vague concept for many people, often associated with social activists and the 'management' of poverty. This perception is in sharp contrast with reality: there are more than 7,000 collective enterprises in Quebec active in a wide variety of economic sectors. The social economy is an integral part of our socio-economic structure, is growing steadily throughout Quebec and is increasingly shaping global development strategies. Its various realities and impacts have been the subject of many scientific works; they have been analyzed from every angle. In general, the verdict is positive and the benefits are documented more and more through quantitative and qualitative studies.

But the social economy is more than the sum of many collective enterprises operating in various sectors with similar modes of organisation. To understand Quebec's social economy, it is not enough to display columns of figures showing the volume of business transactions and the sums invested or accumulated. For the history of the social economy is above all the story of women and men, communities, entrepreneurs, consumers, investors who are committed to the creation of a movement for economic democratization. This movement, built on the accomplishments of previous generations, resurfaced in the 1970s for the first time within a specific territorial framework in neighbourhoods and villages in various parts of Quebec. Initially, this citizen mobilisation was to change the way economic development took place within their communities. Over the years, it evolved into a global vision of social economy and collective enterprise as an expression of that same determination to create a more democratic and inclusive economy.

The history of the social economy over the last decades is an exciting one, and I had the great privilege to be part of it for more than 30 years. And although volumes have been published by researchers on this period, the scientific nature of these books does not allow them to tell the story from the point of view of those who dug in their heels and worked to build this collective approach to economic development. The story is far from linear. Yet for all its highs and lows, victories and failures, frustrations and rewards, the saga is worth telling, if only for the many anecdotes about individuals and organisations who contributed to the construction of this movement.

This book does more, however, than tell the story. It is also an attempt to collect and synthesize the achievements and lessons of this building process from a very personal point of view. As president and CEO of the Chantier de l'économie sociale³ for 20 years, I was part of a team that leaped, at times head first, into the exploration of new avenues, sometimes with incredible success but also with our share of obstacles and failures. Over the years, we learned lessons and became wiser. It is this wisdom that I wish to share with those who want to better understand Quebec's experience of the social economy.

To do so, I have chosen to tell the story in a linear way, by periods, that I have divided into five chapters. Each chapter concludes with a quick summary of lessons learned and some reflections on the challenges of the future. I hope this work will be useful to those in Quebec, Canada and elsewhere who share our determination to transform our development model in order to respect and protect our planet and all its inhabitants.

Bonne lecture!

³ See Chapter 3, p. 48.

CHAPTER 1: 1983-1989

A Strategic Choice: Defining Ourselves as Economic Actors in Our Community

A context of rising unemployment and social exclusion

The early 1980s marked a definite end to the 'Glorious Thirty', a period following the Second World War, during which Western countries experienced a period of relative prosperity and social progress. These post-war years were marked by social compromises negotiated between government, large corporations and trade unions and fostered relative economic stability and social peace. This began to crumble in the 1970s, but the real rupture occurred following the economic crisis of 1982. For the first time in decades, the phenomena of poverty and exclusion were on the rise, in both urban and rural areas.

Deindustrialization hit Quebec's urban centres, especially Montreal, particularly hard. The opening of the St. Lawrence Seaway, the closer trade relations with the United States and the obsolescence of industrial infrastructure led to a shift in manufacturing activities westward. Urban sprawl was in full swing and so, both in Quebec and internationally, urban centres were facing economic decline and significant impoverishment of large segments of their populations.

On the political front, the early 1980s saw the coming to power of Ronald Reagan in the United States, Margaret Thatcher in the United Kingdom and Brian Mulroney in Canada. The policies of all three championed a significant reduction in the role of the state and complete confidence in the free market as the ideal mechanism for regulation and redistribution. The concept of the Trickle-Down Effect was born. This theory advocated the minimum of constraints on the activity of private companies in order to maximize the creation of wealth. Subsequently (in theory), this wealth would spontaneously percolate to the rest of society for the good of all. Thus, this period was characterized by an accelerated

globalization of the economy through free trade and by international trade agreements, including the Canada-United States Free Trade Agreement signed in 1987.

In Quebec, the high unemployment rate that marked the recession of the early 1980s found its counterpart in social movements that focused their actions on the issues of employment, poverty and social exclusion. The union movement was the first to take strategic action, through the creation of the Quebec Solidarity Fund⁴ by the Quebec Federation of Labour (QFL)⁵ in 1983. Youth organisations mobilized to denounce discrimination against young welfare recipients. The community movement launched a battle for recognition as a social actor and a full participant in social dialogue. This period culminated in November 1989 with the Employment Forum. Prefaced by a series of 12 regional forums, it mobilized all of Québec's socio-economic stakeholders, bringing together more than 1,500 people from all backgrounds and regions.

At the municipal level, Montreal experienced a significant transition from a highly-centralized regime under Jean Drapeau to an administration supportive of public consultation and citizen participation, enshrined by the Montreal Citizens' Movement (RCM)⁶ that took power in 1986 under the leadership of Jean Doré.

Creation of the Quebec Solidarity Fund

The creation of an investment fund by the largest trade union federation in Quebec was a turning point in the labour movement's history. Founded in June 1983, the Quebec Solidarity Fund was a venture capital fund built on the savings and solidarity of the entire Quebec population. Its principal mission was clearly defined: to create, preserve and save jobs through investments in small- and medium-sized enterprises (SMEs) in a diversity of sectors. Another goal was to promote retirement saving among Quebec workers.

Today the Quebec Solidarity Fund constitutes Quebec's largest network of development capital, with assets of \$15.6 billion as of May 2019. However, its launch provoked acrimonious debates within and outside the labour federation. The decision to position itself as an economic actor and business investor departed from traditional union

⁴ *Fonds de solidarité.*

⁵ *Fédération des travailleurs et travailleuses du Québec (FTQ).*

⁶ *Rassemblement des citoyens et citoyennes de Montréal.*

activity. Many people expressed reservations about this new direction, but anxiety soon gave way to pride and strong support for the model. The Fund's choice to make a significant investment in the economic education of union members helped speed the uptake once it was established.

A short history of the community economic development movement in Southwest Montreal

Poverty and social exclusion: what role for social movements?

In 1983, Pointe-Saint-Charles was one of the poorest urban neighbourhoods in Canada. Along with other former working-class neighbourhoods in Montreal, it was part of what was called the 'T' of poverty. That was the shape taken by the concentration of poverty in Montreal: from east to west along the banks of the St. Lawrence River and Lachine Canal, then north along Montreal's 'main' street, Saint-Laurent.

Pointe-Saint-Charles and the other neighbourhoods in Southwest Montreal had once been the industrial heartland of Canada. Railway yards, foundries, factories producing tobacco, glass, textile, toys, mattresses and many other products offered employment to workers who often started work at a young age and with limited schooling.

The opening of the St. Lawrence Seaway and the growth of trade with the United States triggered the migration of manufacturing activity to the west of the continent. In Montreal, one factory shutdown followed another, and in 1983, although there were still some very large enterprises (Imperial Tobacco, CN yards) in the city's Southwest, empty industrial buildings and lots dominated its landscape. The future of factories still in operation was bleak, given the dilapidated facilities and the constraints of the urban fabric.

In fact, for the most part, those who held the remaining jobs lived in the suburbs; urban sprawl was in full swing. Thus, the population of Pointe-Saint-Charles shrunk from 30,000 in 1951 to 13,000 in 1986. Half the families were on social assistance and 46% of the adult population had not completed the ninth grade. Official figures showed an unemployment rate of 31%.

However, Pointe-Saint-Charles also had great wealth, that of its social fabric and community spirit. The neighbourhood's community sector

was among the most dynamic in the city, having been at the origin of many social innovations, including the Quebec's first community legal clinic, the first technical resource group for community housing and one of the first community medical clinics, a precursor to a network of local community service centres (CLSCs)⁷ that was the pride of Quebec for several decades.

Despite this community strength, the social challenges were enormous and the crisis of the '80s only worsened them. Lack of employment and poverty weighed heavily on all social interventions to improve the lot of the local population. In addition, the proximity of downtown Montreal made the area a target for gentrification, including the conversion of old industrial areas into residential zones where the building of condominiums (inaccessible to local residents) commenced. This context was the source of much insecurity among the local population.

Increasing poverty and social exclusion required strong action. But governments at all levels were nowhere to be seen. The only 'answer', which was no answer at all, was the first introduction of 'active measures' for welfare recipients, in the form of 'Operation Declic', launched in 1985 by the Ministry of Manpower and Income Security. These programs provided welfare recipients with a small supplement to their monthly cheque in return for participating in community-based organisations or returning to high school. Offering no qualifying training or real and sustainable employment, such short-term programs had been described by social rights organisations as 'dead ends'.

Inspired by experiences of neighbourhood or rural revitalisation based on citizen empowerment, a small group of community activists in Pointe-Saint-Charles (including me) decided to take the bull by the horns and apply a community organising approach to economic development issues. Rather than wait for the government or the private sector to solve the problem, we decided to initiate a process of economic development that would benefit the local population.

The beginning of a citizen's movement at the heart of the economy

This decision was a major shift from more traditional community-based approaches and actions. In the past, our job as activists had consisted mainly of trying to respond to the most urgent social needs. Creating

⁷ *Centres locaux de services communautaires.*

jobs was the government's job just as much as maintaining a social safety net. Instead, there we were, a small nucleus of activists from various community organisations, including the YMCA, the Pointe-Saint-Charles Community Clinic, Catholic Community Services, the Housing Resource Group, the Community Legal Clinic and the Community Education Centre, reaching out to learn from community economic development experiences elsewhere in North America. Through a score of conferences, documents and field trips, we learned about a variety of initiatives: Operation Dignity to save villages in the Lower St. Lawrence region; community development corporations in disadvantaged urban neighbourhoods in the United States; New Dawn on Cape Breton Island (Nova Scotia); and Kitsaki Corporation in an Indigenous community in Saskatchewan.

The decision to intervene in local economic development quickly led to the creation of the Pointe-Saint-Charles Economic Program (PEP)⁸ in 1984. PEP was a non-profit organisation that, inspired by American experiences, identified itself as the first urban community economic development corporation in Canada. The mission of PEP was clear: 'Enable the population of Pointe-Saint-Charles to undertake community economic development to improve living conditions in the community.' Eight local community organisations were PEP's founding members.

PEP had ambitious goals but no financial resources. In search of support for its approach, an invitation was sent to the Minister responsible for Regional Development and Workforce and Income Security, Ms Pauline Marois, to come to the community and to listen to the population's concerns about its future. During her visit, in a crowded room at the Pointe-Saint-Charles YMCA, we, as community spokespersons, sharply criticised the welfare programs being proposed as the sole option for welfare recipients. We instead affirmed our commitment to undertaking a process of economic development and job creation for the local population.

To our astonishment, the minister was open to the idea. A few months later she came back to the same venue to announce a modest sum to allow the community to develop its own economic development strategy.

What to do when faced with such a challenge? Our first instinct was to trust the 'experts' by hiring a recently-graduated economist from the University of Montreal. After all, in our minds, economics was 'a subject

⁸ *Programme économique de Pointe-Saint-Charles.*

for experts'. But we quickly became disillusioned. His academic training had left our expert economist totally ill-equipped to respond to our ambition to initiate an economic development process for the benefit of the local population and responding to local needs. This kind of economy on a human scale was not taught in departments of economics!!

In fact, based on the theories he had learned, 'our' economist could suggest only one strategy for ridding the neighbourhood of poverty: accelerate gentrification to increase rents and force the poor to leave. No more poor, no more poverty! You remove the problem by sending it elsewhere, thus depriving people of the only wealth remaining to them, a strong social fabric and a community network of mutual support and solidarity.

Many of the community organisations that made up PEP were actively fighting the threat of gentrification, and reacted spiritedly to such a proposal. The expert economist was shown the door and the group decided to produce its own strategy, based on its knowledge of the local environment and its vision for the future.

The paper 'In Pointe-Saint-Charles, We've Got Heart', produced in 1985, identified PEP's main objectives:

1. Economic revitalisation under local control.
2. Create decent and sustainable jobs.
3. Train the unemployed.
4. Obtain adequate funding.

Accelerated learning in the heat of the action

With a new board of directors made up of representatives of community organisations and citizens, PEP undertook various actions to achieve its goals. First priority went to job creation by supporting the creation of new businesses. It is within this framework that we designed and implemented the first local investment fund, a forerunner of what would become a network of local funds across Québec. The Montreal Employment Development Fund launched in 1988. It was made possible by a contribution from the Government of Quebec and an investment by the Quebec Solidarity Fund (the first of many investments in local funds the QFL would make in the years to come).

However, it quickly became apparent that betting on the entrepreneurial potential of such a devitalised and under-educated environment had its limits. The decision was made to invest in the consolidation of exist-

ing businesses and especially to increase the technical and life skills (the ‘employability’) of residents. These concepts were new at the time; coaching and access to certified training or other labour market integration strategies were not common practice. PEP was there at start of several innovations in this field, including the creation of a Support Centre for the Unemployed and a workforce integration enterprise, Formetal. Both organisations are still active.

Creation of the Montreal Employment Development Fund

The mission of the Montreal Employment Development Fund (FDEM⁹) was to promote economic development in Montreal boroughs through investments in viable and profitable enterprises that impacted job creation. Launched in 1988, it represented a partnership between the Quebec Solidarity Fund, Investment Quebec, the City of Montreal and the three existing community economic development corporations (Pointe St-Charles, Centre-Sud, Hochelaga-Maisonneuve). FDEM investments generally ranged from \$50,000-\$150,000. It terminated its operations in 2015.

Business creation and support for the unemployed were not the only areas in which PEP intervened. While government fixated on supporting entrepreneurship, from the get-go PEP understood the need to address a wide range of issues in order to revitalise the neighbourhood and provide employment for the local population.

Urban planning quickly became a priority. In response to community unease over the threat of gentrification, PEP invested time and energy articulating its concerns in regard to zoning and land-use planning. Note: the City of Montreal adopted its first urban development plan in 1987! Prior to the adoption of this plan – by the new RCM administration at City Hall – businesses and citizens faced arbitrary decisions on zoning. Given such a context, and the proximity of both downtown and a body of water (i.e., the Lachine Canal), the local population feared industrial de-zoning and the conversion of old factories into condominiums. To offset this prospect, PEP and other community organisations undertook a process to produce its own neighbourhood development plan. Entitled ‘A Neighbourhood to Improve, a Population to Respect’, the document was published in 1986.

⁹ *Fonds de développement Emploi-Montréal.*

Workforce Integration Enterprises Emerge and Organise

Workforce integration enterprises are community organisations and social economy enterprises. With a mission of social integration, they are distinguished by a combination of on-the-job training and genuine economic activity in a non-profit context. To fight poverty and exclusion, workforce integration enterprises respond directly to the training and coaching needs of people who experience great difficulty accessing the labour market. Inspired by French experience, the model developed rapidly in the '90s, when several new workforce integration enterprises were established. In 1995, they turned to defining a common frame of reference and setting up a network that, in 1996, became the Quebec Workforce Integration Enterprises Collective.¹⁰ Today there are 51 such enterprises in Quebec. Together they train more than 3,100 people annually and their total revenues exceed \$100 million.

The impacts of this pro-active process of popular education around planning issues were manifested in the urban development plan adopted by the City of Montreal a few years later. The plan provided protection for industrial zones to help maintain and create jobs, a commitment reinforced through major interventions by the Montreal Industrial Development Corporation (SODIM),¹¹ a para-municipal real estate body. As coordinator of PEP, I was invited to join SODIM's Board of Directors in order to represent the concerns of the community in this municipal entity's orientations and choices.

Acting locally by forging links at the international level

PEP's impact on employment and poverty in Pointe-Saint-Charles was modest. But its medium- and long-term impacts were significant. From the beginning, PEP saw itself as part of a broader movement, both nationally and internationally, of local authorities who had chosen the path of citizen 'empowerment' to develop their communities, and we sought inspiration from their experiences. Thus, through exchanges, internships or group field visits, we multiplied contacts with organisations and networks engaged in local development in Canada, the United States and France.

¹⁰ *Collectif des entreprises d'insertion du Québec.*

¹¹ *Société de développement industriel de Montréal.*

In 1987, unexpectedly, I was contacted by the National Association of Local Development (ANDLP),¹² an organisation of local development actors (civil society and elected representatives) from across France. I had met several of its members during a mission sponsored by the Franco-Quebecois Office for Youth (OFQJ)¹³ the previous year. The mission had exposed us to the most recent innovations of our French cousins. A member of the ANDLP team saw the common ground in our approaches, and during a visit to Montreal contacted me with a surprising proposal. They wanted to organise a conference in Montreal on local development in Europe and North America, if they could find a local partner, and their first choice was PEP!

Jumping from a small, emerging local initiative to an intercontinental event was quite a challenge! What happened next well-illustrates the entrepreneurial spirit so characteristic of PEP. It had no experience in organising events of this scale and no infrastructure to support such an organisational challenge. Its very modest offices over a store on a deserted commercial street in one of Canada's poorest urban neighbourhoods were not the typical location from which to coordinate a major conference. PEP had extremely limited financial resources and a team of just three employees. But the opportunity to learn, reach out and raise awareness among decision-makers was too tempting. PEP decided to go for it. Various partners were approached: the Montreal Chamber of Commerce, the City of Montreal, the Government of Quebec, the Quebec Solidarity Fund. All said "yes" to our partnership proposal. Given the project's magnitude, PEP needed the legitimacy of a legal 'shell', so we created the Community Economic Development Training Institute (IFDEC).¹⁴

The event, 'Local Action', took place in November 1988 and its scale took everyone by surprise: 700 people from 25 European and North American countries came to discuss best practices in community economic development in both urban and rural areas. Prestigious speakers took the floor, such as the Mayor of Boston and representatives of the European Commission and the Organisation for Economic Co-operation and Development (OECD). The impact in terms of recognition was immediate. At the opening ceremonies, the Mayor of Montreal announced

¹² *Association nationale du développement local et des pays.*

¹³ *Office franco-québécois pour la jeunesse.*

¹⁴ *Institut de formation en développement économique communautaire.* IFDEC became truly operational following the conference and offered training in community economic development until 1997.

his intention to adopt a community economic development policy. The other two levels of government, who were also present, quickly followed suit, leading to the public funding of a network of community economic development corporations (CDECs)¹⁵ until 2013.

Creating a network of community economic development corporations

When it was established in 1984, the Pointe-Saint-Charles Economic Program (PEP) was the first community economic development corporation (CDEC). Others rapidly stepped up in other Montreal neighbourhoods as well as in Quebec City, Trois Rivières and lastly, in Sherbrooke. In all, ten CDECs got underway in Quebec in the '80s and '90s. Today only four are still operating, following the reorganisation of local development policies in Quebec.

The CDECs brought together a diversity of actors from community groups, labour unions and business sectors. Over the years, representatives of the cultural, institutional and municipal sectors were added to the governance of these non-profit entities. The focal points of CDEC intervention were the mobilisation of local actors around local development projects; developing the employability and supporting the integration of persons excluded from the labour market; and support for existing enterprises and start-ups in order to preserve and create jobs.

Funding for the CDECs came from municipalities (e.g., the City of Montreal's local economic development policy), from the government of Quebec (the Office for Planning and Development, responsible for regional development), and from the government of Canada (Employment and Immigration). At the provincial and federal levels, funding remained in the form of 'pilot projects' – no existing program having established a role for government in local development in urban settings. The only program expressly committed to supporting local development was the federal Community Futures program, aimed at rural communities.

From the outset, the CDECs were instrumental to many achievements. The distinctive feature of these social innovations (which often took the form of social economy enterprises) was that each was a direct response to community needs. The gestation period between the identification of needs and the formulation of a response was often long. The support of CDECs, and their collaborative approach, were what enabled many social innovations to get off the ground. Here are a few examples:

¹⁵ *Corporations de développement économique communautaire.*

- In 1990, the CLSC in Plateau Mont-Royal identified needs linked to the fight against hunger, isolation and precarity. Two years later, the workforce integration enterprise Resto Plateau was launched thanks to support from the Centre-Sud/Plateau-Mont-Royal CDEC. Offering catering services and culinary training, this enterprise managed to develop an approach that responded directly to identified needs, and continues to this very day.
- In the mid-1990s, the Centre jeunesse de Montréal - Institut universitaire, a Montreal Youth Centre, became concerned about the needs of single mothers with children under the age of five. They had observed the failure of existing programs to support labour force integration for this clientele. After a long period of incubation and thanks to CDEC support, *Mères avec pouvoir* (Mothers in power) was launched in 2001. In addition to supporting workforce integration, *Mères avec pouvoir* offers housing, daycare services and individual support to participants.
- Early in the '90s, the CDEC Grand Plateau (which later merged with Centre-Sud) was involved in the establishment of a local micro-credit network. It is still active today, the Montreal Community Loan Association (ACEM).
- When a major movie-theatre chain threatened to close down the local cinema, the CDEC Rosemont-Petite-Patrie initiated a process that led to the creation of Cinema Beaubien in 2001. This social economy enterprise offers quality programming and currently manages two more movie theatres in two other Montreal neighbourhoods.
- In 1994, a CDEC was established for the renewal of the economy and employment of downtown Quebec City (CREECQ). Now known as the Quebec CDEC, it originated from the urgent need to act and transform the neighbourhoods of Quebec's old inner city – a classic case of devitalisation – into development centres. The mission of CREECQ was to 'create and maintain sustainable employment and develop the skills of local residents, in collaboration with the community and various levels of government'. It gave rise to many initiatives in the culture, hospitality and food services sectors.

The CDECs eventually united under the umbrella of 'Inter-CDEC' which later became the Quebec CDEC Network.¹⁶

¹⁶ *Regroupement des CDEC du Québec.*

*An alliance is forged with the trade union movement
for place-based development*

A major development marking the close of this initial period was the forging of a strong alliance with the labour movement. After an infamous series of factory closures and the loss of more than 1,000 manufacturing jobs, the Montreal Labour Council (representing QFL-affiliated unions) established the coalition Urgence Sud-Ouest¹⁷ to protest the plant closures and stop further hemorrhaging of manufacturing jobs. PEP became an active member of this coalition and in so doing, forged an alliance with the labour movement, which to this day remains a significant feature of the social economy movement in Quebec.

For several years this alliance was limited to the local level. At a national level, the new role of the community sector in discussions of economic and employment issues received only marginal recognition. For example, community stakeholders involved in neighbourhood development initiatives were simply spectators to the 1989 Employment Forum, which was a major undertaking.

At the local level, the alliance with the trade union movement quickly paid off. Faced with the mobilization of local unions and organisations through Urgence Sud-Ouest, all three levels of government agreed to support and participate in the creation of the Committee for Recovery of the Economy and Employment of Southwest Montreal (CREESOM).¹⁸

CREESOM, according to government jargon, was categorized as a “Workforce Adjustment Committee” (CAMO).¹⁹ Normally, CAMOs were set up during factory closures: their role was to bring together the employer, union and government to undertake the reclassification of laid-off employees. But in view of the extent of job losses and closures, the idea of a place-based CAMO crystallized. The first such, the Committee for the Recovery of the Economy and Employment in east-end Montreal (CREEEM)²⁰ was created in 1987 and submitted its report in 1988.

CREESOM was inspired by the work of this committee, but with a striking difference, namely, the robust presence and leadership of the community sector, based on its ongoing role in revitalisation efforts in

¹⁷ ‘Southwest Emergency’.

¹⁸ *Comité de relance de l'économie et l'emploi du Sud-Ouest de Montréal.*

¹⁹ *Comité d'adaptation de la main-d'œuvre.*

²⁰ *Comité pour la relance de l'économie et l'emploi dans l'est de Montréal.*

the Southwest. CREESOM brought together public authorities from all levels of government, representatives of local unions, businesses and community organisations. A member of CREESOM, PEP was actively involved in analyzing and proposing a revitalisation strategy based on several development axes. CREESOM's report was unveiled in 1990 and set the stage for the next phase of development.

Thinking "outside the box" to address community needs and aspirations

This period was rich in social innovation, manifested as much in new forms of organisation as in the approaches taken to community interventions. Even in the way we articulated our actions, innovation was on the agenda: we dared to combine notions that generally were perceived as being mutually opposed. Promoting *community* economic development or creating a *solidarity* investment fund were ideas very foreign to those that currently dominated economic discussion and analysis. In the era of the Trickle-Down Effect, a development approach that combined social and economic imperatives was close to heresy.

A quarter of a century later, it is both sad and reassuring to note that our criticism of this vision of development has proved right; in fact, none other than the OECD confirmed the verdict! In 2008, its flagship publication, *Growing Unequal? Income Distribution and Poverty in Countries*, showed that, despite the creation of great wealth, the gap between the rich and the poor had increased since the 1980s. The failure of the Trickle-Down Effect was demonstrable. Thomas Piketty, a French economist specializing in the study of social inequalities, reinforced this conclusion in a book published in 2015, *The Economics of Inequality*. In light of this, the OECD is now talking about inclusive growth. Unfortunately, despite the repudiation of the Trickle-Down theory, the majority of economists continue to put forward strategies based on it!

All the social innovations of this period were thus based on insights gained from practice or 'learning by doing'. The gap between tightly-regulated government programs and the real needs of people experiencing poverty and exclusion forced community activists to imagine other ways of supporting socio-economic integration. Their determination to intervene differently was often a source of friction and debate. But from these tensions emerged a series of initiatives, many of which influenced future practices and policies and had impacts beyond the local level.

For example, the concept of ‘employability’ was popularized during this period. Today it is used to guide the work of hundreds of community organisations working in the field of employment.

Issues and lessons: necessary and sometimes difficult debates

The renewal of the social economy movement in Quebec and its current strength are rooted in the actions of the social movements of the 1980s. The refusal to accept one-track thinking in economic development and employment, and instead to hazard new approaches that integrate economic and social development, investment and solidarity, business creation and citizen involvement – all this has left its mark on Quebec society.

It was not a smooth ride. The debates were lively. But the lessons learned were numerous and networks were created to give our work greater visibility and especially to learn from each other. These advances laid a solid foundation for the construction of the social economy movement in Quebec.

1. Redefining ourselves as economic actors

Among trade union and community activists, the decision to invest in the economic sphere and define their movements as stakeholders in development processes was fiercely debated. Many of them feared this path; they maintained that economic concerns would ‘contaminate’ the values and aspirations of their movement, diverting it from its primary mission. But the women and men involved in these initiatives did not share these fears. Instead, we perceived this work as an extension of our existing practice, that being the mobilization and empowerment of citizens in a sphere essential to the reduction of unemployment, poverty and social exclusion. Community and trade union involvement in economic development would be a diversion? On the contrary, it had become a necessity and the role of social movements in the economy was paramount. For example, how to protect the local population of Pointe-Saint-Charles from gentrification without proposing an alternative vision of land-use planning and the repurposing of abandoned industrial sites? How to respond to growing social needs, without taking an inclusive approach to development in order to curb rising poverty and social exclusion? How to enable the workers victimized by factory closures to retrain when they

lacked basic writing and reading skills? It was imperative to put economic development at the service of the community.

But to do so, we had to redefine ourselves and affirm the role of social movements as actors within the economy, alongside the more traditional ones.

2. Reclaiming economics as a social science

The incursion of social movements into the economic sphere was controversial largely because the very concept of 'economics' was poorly understood. This social science, based on human choices and activities, was perceived as the exclusive domain of experts whose learned calculations made it possible to predict and decide what was 'good' or 'bad' for the economy. Citizen participation in the economy and the possibility of influencing it were perceived as impossible. Thus, to build a citizens' movement in our economic heartland, it was essential to demystify the very concept of 'the economy'.

The appropriation by actors of social movements of the very definition of the economy, and the realization that there was no need to be fatalistic in face of the dominance of neoclassical economic approaches, was one of the most important lessons of this period. In fact, we learned that the word 'economy' is of Greek origin and simply means 'the management of the household'. Economy is thus an umbrella term for all human activities related to the production, distribution and consumption of goods and services. Economic systems and ways of developing economic activities have long been diverse and remain so. A range of terms testify to this: we speak of the family economy, the underground economy, the market economy, the planned economy, the mixed economy, the public, private or private economy, the collective economy, and so on.

Our entire record in community economic development stemmed from the following discoveries:

- Economics is not a 'pure' science. It is a 'social' science, devoted to human beings and the choices they make. So the economy is something we can influence as well as the policies and frameworks that govern it.
- The current development model is only producing more and more poverty and exclusion. Economic and social development have to be rethought and their interrelationship redefined.

- The response to unemployment, poverty and social exclusion will come neither from governments nor from private interests. Economic development for the benefit of the local population must be a process based on community empowerment in all its complexity and with all its components.

The experience of community economic development in Southwest Montreal and elsewhere derived from this collective appropriation of the very concept of the economy. The demystification of the economic 'domain' and the refusal to accept entrenched theories were among the most important achievements of this period.

3. Create small utopias or transform the whole economy?

The community movement's decision to get involved in economic development posed practical challenges. There was a fear of being associated with the creation of cheap labour for companies whose practices fell short of the values of the community movement. As a consequence, there was a reflexive desire to decree, from the outset, the behaviours deemed acceptable in our business initiatives, based on ideal criteria.

It was a desire to guarantee quasi-utopian practices, and unfortunately, reality quickly caught up with it. In the development process, trade-offs were required. After all, we were functioning in an environment where our approaches were in direct confrontation with traditional practices. The hiring of PEP's first employees quickly confronted the young organisation with two different visions. Disagreeing with a \$2,000 wage gap between the coordinator and the administrative assistant, three founding members resigned. The ideal was for everyone to receive the same wage, and they would brook no compromise.

Another debate centred around the wages permissible in PEP-assisted enterprises, regardless of the enterprise's circumstances or the wages current in that sector. It was unemployed residents who quickly put a stop to the debate: 'It's not up to PEP to tell us when a job is acceptable,' we were told.

There is nothing new about this debate between the real and the ideal; as early as the 1800s, utopias were evoked in theoretical or practical experiments in Europe and North America. Utopian socialism aimed to set up ideal communities according to various models. Some were governed by

very restrictive regulations, others were more libertarian. The ‘communes’ during the ‘hippy’ movement of the 1960s embraced the same vision. But the reality of Pointe-Saint-Charles quickly caught up with this utopian dream. Material improvement in the lives of neighbourhood residents entailed concrete action in a reality packed with constraints and challenges. Utopia had to make way for a pragmatism rooted in strong values and a determination to generate concrete results, and thereby building, brick by brick, an economy ever more closely resembling the envisioned utopia.

4. Find the “magic solution” or invest in a multi-dimensional approach?

Montreal’s first CDECs came into being in an era that identified unemployment as the most important scourge and job creation as the priority public intervention. Accordingly, the first tools that government offered to local initiatives were designed to support business creation. The promotion of entrepreneurship was at the top of the agenda and CDECs were expected to follow suit.

While recognizing this strategy as one of many options, CDECs understood that they were facing more complex challenges; neighbourhood revitalisation in the truest sense called for strategies that were multi-dimensional in nature. How could the local population benefit from job creation when a good part of it did not have basic reading and writing skills? How was a better future imaginable for the neighbourhood’s young people when the dropout rate remained so high? How to protect existing jobs in industrial zones when land values were subject to speculative pressure? How to ensure that local infrastructure could support economic recovery? PEP, like the other CDECs, refused to confine itself to job creation and support programs for small- and medium-sized businesses (SMEs). All aspects of place-based development were on the agenda. Our integrated approach embraced the creation of new enterprises; the consolidation of existing jobs; job and skills training for the unemployed; land-use planning; infrastructure improvement; and the development of community housing.

5. How do citizens gain a voice in economic development?

One of many roles played by the community and trade union movements is to bring the voices of citizens into the political arena. For us,

awareness-raising and ‘popular’ education were integral to this task. Defending the rights of workers, the unemployed and the excluded was the daily struggle.

The decision to become involved in economic development posed new challenges in this regard. Then (as now) development processes were never linear; the contours of what was acceptable, possible or desirable were often unclear and needed definition. Moreover, the economy was a matter perceived as one best left to the ‘experts’. However, economic development for the benefit of the local population required that this citizen voice be well-informed and able to express itself.

Answering this challenge required creativity and sustained effort. All means – songs, theatre, humour, games, local media – were rolled out to articulate the meaning of these community economic development initiatives. PEP’s annual general assemblies were festive events, inspired and led by Michèle Soutière, a founding member of PEP with an incredible talent for education and for popularizing complex content. Little by little, people in Pointe-Saint-Charles (and elsewhere) became interested in economic issues and identified themselves with community economic development organisations.

6. Collaboration with “the enemy”?

The incursion into the realm of economic development required that social movements open up to partners who failed to match the profile of the ‘natural ally’. We, the instigators of revitalisation, quickly realized that success hinged on the collaboration of local businesses. This openness to alliances with neighbourhood merchants, SME executives or factory managers sparked a real clash of cultures and sometimes values. And the surprises were numerous. Take the director of a major business who expressed a strong sense of solidarity with the community, despite head office intentions to close local installations; or small business owners who were willing to invest time and resources in the revitalisation efforts; or a banker who rose to the defence of our community economic development approach. Their combined efforts contributed greatly to the collective effort. Thus, choosing to ‘sleep with the enemy’ proved not only wise, but essential to advancing the mission of the CDECs. Little by little, dialogue was established and avenues emerged for concrete collaboration around concrete objectives on which everyone could agree.

This collaboration with the business and financial communities, including local financial institutions and Chambers of Commerce, was a process of learning and discovering a reality far more complex than anticipated. From a local development perspective, the interests of manufacturing companies did not necessarily coincide with those of local retailers or financial institutions, particularly with regard to zoning. Above all, direct contact with business leaders enabled us to better understand entrepreneurial dynamics and to discover that an entrepreneurial approach was not just for individuals, attracted by prospects of individual enrichment, but could also be used to respond collectively to the needs of the community.

7. A bottom-up approach: recognizing our own skills and expertise

Without wishing to diminish the important contributions of a variety of researchers and experts, it is clear that PEP, like all community economic development initiatives, would never have happened if community stakeholders had always listened to economic ‘experts’. The fact is, the strategies adopted by these civic organisations would never have been deployed; they collided head-on with prevailing economic theories that deemed the local level to be insignificant. In addition, government policies and programs that, in principle, provided solutions to the problems of poverty and social exclusion proved to be ineffective and disconnected from the *reality on the ground*. Had we chosen to comply with them, foreseeably the results would have been disappointing or even nil. One of the key factors in the success of the first initiatives in community economic development in Quebec was the choice to rely instead on an understanding of that reality: that of the unemployed, the organisations working with them, small businesses, local companies and workers in local factories. Through an in-depth knowledge of these realities, PEP and other CEDCs were able to develop effective strategies that were ‘outside the box’ and directly addressed the issues and concerns of the community for inclusive and sustainable development. These bottom-up strategies differed radically from the top-down approaches dictated by prevailing neo-classical economics. At the time, we called what we were doing ‘common sense’. Today it is called social innovation.

Collaboration as a Development Strategy: The Path to Recognition as an Economic Actor

The context: communities up against persistent poverty and unemployment

At the beginning of the 1990s, poverty and unemployment continued to affect communities in urban and rural areas. The unemployment rate rose from 9.6% in 1989 to a historic peak of 13.2% in 1993. The phenomenon of social exclusion was spreading rapidly and the percentage of Quebec's population receiving welfare payments climbed as high as 12.6% in 1996. Between 1990 and 1996, the real estate market collapsed, with the median price for real estate declining for the first time in 30 years. Urban sprawl grew while rural communities were shaken by a sharp decline in population. In Montreal the recession of 1980-82, followed by that of 1990-91, was a hard blow for the traditional industrial structure of Quebec's metropolitan area. The textile, petrochemical and rail sectors were wiped out by factory closings.

On the political level, a new Liberal government was elected in Ottawa in 1993 after a nine-year Progressive Conservative regime. The Liberal Party, under the leadership of Robert Bourassa, was in power in Quebec. The economic policies of the two levels of government were in continuity with those of the previous decade: the local development initiatives spreading across Quebec remained outside accepted approaches and survived as pilot projects or through special measures.

The principal exception was the adoption by the City of Montreal of a Neighbourhood Local Economic Development Policy in 1989. (See Chapter 1, p. 18.) This policy set a precedent in Quebec and influenced other cities to support community economic development corporations in their jurisdictions.

On the social front, the issue of poverty and marginalisation of individuals and communities was at the heart of many struggles, which often were associated with place-based development issues, both in rural and urban areas. Montréal's difficulties were top of mind; the collapse of the real estate market at the end of the '80s was an illustration of Montreal's economic decline.

In rural areas, the situation was just as bad, if not worse. Tensions between rural and urban areas were on the rise. In rural regions, people had the impression that Montreal was draining off all available resources. In Montreal, people complained about being neglected by public policy!

In 1992, rural actors, under the charismatic leadership of the ex-president of the Agriculture Producers' Union,²¹ Jacques Proulx, came together to create Rural Solidarity.²² Its mission was to promote the revitalisation and development of Quebec's rurality, its villages and its communities.

In 1995, the Quebec Women's Federation²³ headed by Françoise David, captured the imagination of Quebecers with the organisation of the Women's March against Poverty and Violence. Under a banner demanding 'Bread and Roses', women's groups began a march from all corners of Quebec toward the National Assembly, where they were joined by tens of thousands of supporters. One of the eight demands of the Women's March was for important investments in 'social infrastructure'. This demand set the stage for the future recognition of the social economy.

This period was also marked by the community movement's process to win full recognition as an economic player, particularly in the field of labour force development. In 1992, the Coalition of Community Organisations for Labour Force Development (COCDMO)²⁴ was formed and advocated for recognition as a full partner, representing the community sector in the newly-created Quebec Society for Labour Force Development (SQDM).

A short history of Southwest Montreal, continued

CREESOM's report, entitled 'Organising Our Development Together', was a turning point for community economic development in Montreal. For the first time, major responsibility in the realm of economic devel-

²¹ *Union des producteurs agricoles.* ²² *Solidarité rurale du Québec.*

²³ *Fédération des femmes du Québec.*

²⁴ *Coalition des organismes communautaires pour le développement de la main-d'oeuvre.*

opment was given to an organisation whose focus was deliberation and collaboration (*concertation*) with stakeholders, including social actors.

The Creation of the COCDMO

Local organisations were among the leaders in the creation of a network of community economic development corporations; added to that was the ever greater and more diverse role that community-based initiatives were playing in the economy and the employment sector. As a consequence, the community sector demanded the right to be an active participant in the national dialogue on these issues. This dialogue had been ongoing on a tripartite basis, with representatives of employers, labour unions and governments. But it was a dialogue that, from the perspective of the community sector, failed to address sufficiently the growing phenomenon of social exclusion and poverty.

This demand for recognition as a full-fledged partner in social dialogue was the basis for the creation of the COCDMO in 1992. Its first objective was to achieve community representation in the governance of the future Quebec Society for Labour Force Development (SQDM).

The COCDMO continues today as a coalition of many networks and organisations: employability groups, advocacy groups defending the rights of the jobless, local development organisations and workforce integration enterprises. Its primary mission is to combat the social and professional exclusion of citizens left by the wayside of economic and social development, and to win full recognition of the right to have access to training and employment.

In 1997, following Quebec's repatriation of its authority in matters of labour force development, the Labour Market Partnership Commission (CPMT)²⁵ was created. The community sector, through the COCDMO, was recognised as a full partner with two seats at the table. A few years later, an additional seat was offered to organisations working with youth. The CEO of the Chantier de l'économie sociale was part of the community representation that COCDMO provided to the CPMT and a member of its executive committee until 2009.

Today, the COCDMO continues its mission through diverse initiatives by acting as a hub for referrals, as well as a venue for dialogue and coalition building, enabling its members to reflect upon and develop strategies whereby those who are marginalised socially and economically may access and maintain employment.

²⁵ *Commission des partenaires du marché du travail.*

CREESOM's diverse membership had together arrived at a diagnosis and identified measures to revitalise the Southwest. Debates around the diagnosis had been lively; too often official statistics did not capture the reality on the ground. For example, workplace illiteracy was widespread but appeared nowhere in the analysis of labour force development issues. The need for training leading to formal professional qualification for welfare recipients seemed obvious for community-based actors, but public policy denied welfare recipients supports for vocational training. The contribution of PEP and union representatives, including Normand Guimond (Montréal Labour Council of the QFL) and Gilles Dubois (Montréal Council of the CNTU), were key factors in the unique approach that CREESOM proposed.

In 1988, following consultation with the community, CREESOM released a report proposing \$200 million in investments over five years for the creation and consolidation of local jobs, improved infrastructure and housing and support for the jobless.

The report's final recommendation was of strategic importance to the plan's success. CREESOM recommended that PEP, working at the time in one neighbourhood, enlarge its action to the entire Southwest. A new organisation, the Coalition for the Economic and Social Renewal of the Southwest (RESO),²⁶ should coordinate the various measures proposed by CREESOM and, in order to do this, should adopt a governance structure representing all the stakeholders in that area.

A proposal to give such a role to an organisation independent of government was unheard of at the time. The normal process was to submit this type of report to government and to wait for it to take the initiative to apply the recommendations. But all the actors in the Southwest were convinced that the risk that nothing would be done was too great under that scenario. All agreed that local stakeholders should assume leadership in the follow-up to CREESOM.

However, there was no consensus on the nature of the governance of this local entity. The members of the business community maintained that they should have a majority position; after all, we were talking about a vast economic development initiative, a matter in which they considered themselves the experts. But the community sector, that had led the process from the beginning, was not ready to let go. And the labour

²⁶ *Regroupement économique et social du Sud-Ouest.*

movement, heavily involved since the creation of Urgence Sud-Ouest, also insisted on playing an important role. In addition, there was the sectoral and geographical diversity of the Southwest to take into account, so that the views of the manufacturing sector, small storeowners, as well as community groups from Pointe-Saint-Charles and other neighbourhoods would also be heard.

An agreement was finally reached for a shared governance, with a seat on the Board of Directors for each of four neighbourhood community coalitions, a seat for the two main labour federations²⁷ and a seat for each of four components of the business community: large manufacturing enterprises, SMEs, financial institutions and retailers. Elections to the Board were carried out through electoral colleges; RESO, like the other CDECs, used this method of representation, adding, over the years, new colleges for the cultural and institutional sectors. At RESO, a seat was also added for a committee of participants (those who used RESO's employment services). This balance in governance became the basis for ongoing dialogue and remained in place until the government's adoption of Quebec's Local and Regional Development Policy in 1997.

Handing over a leadership role to the community, through RESO, for the implementation of the revitalisation strategy was not an easy sell to government. It had to be convinced of the wisdom of such an approach. The fact that business, labour and community organisations, despite their differences, were unanimous in their desire to take things into their own hands helped secure the decision to accord such a mandate to RESO. The deal was settled during a meeting between Daniel Johnson, Minister responsible for Montreal, and representatives of local community, business and labour organisations. The Minister agreed to recognise RESO as the coordinating body for the strategy and measures proposed by CREESOM.

One challenge raised by the creation of RESO was the absence of an organisation representing the business community in the Southwest. Whereas the community and labour sectors were well-organised on a territorial level, enterprises had no local body to represent them. This was a clear obstacle to pursuing ongoing social dialogue. In this context, community organisations reached out for help to Jacques Ménard, President of the Montreal Chamber of Commerce. They invited him to visit the Southwest and he was appalled at how conditions there contrasted

²⁷ Quebec Federation of Labour and the Confederation of National Trade Unions.

with those in the nearby financial district where his offices were located. Above all, he was impressed by the on-going revitalisation efforts. Supported by the Montreal Chamber of Commerce and its President, we thus helped a few local entrepreneurs, including Robert Gagnon, director of a local credit union and Bernard Magnan, owner of *Taverne Magnan* (a famous restaurant and pub in *Pointe-Saint-Charles*), to create the *Southwest Business Association*. Community expertise in citizen mobilisation was being used to create a local chamber of commerce. Another sign that community action was taking on new dimensions!

A revitalisation strategy that challenges traditional approaches

The revitalisation plan for Southwest Montreal, like for the east end of Montreal, was multi-dimensional and based on shared responsibilities coordinated at a local level. Government had the mandate for infrastructure, different ministries were to support programs linked to their field of intervention and local actors were responsible for creating local tools and services, including support for SMEs and for the unemployed.

Local stakeholders mobilised rapidly to take on their respective responsibilities. RESO was officially registered as a non-profit organisation and its first Board of Directors was constituted. Roger Lanoue, who, as President of CREESOM, had created consensus among all partners, agreed to continue his volunteer involvement as RESO's Board Chair.

The Board took on the task of hiring a staff team to support them in their mandate. I was named Executive Director and my colleague from PEP, Michèle Soutière, Director of Employability Services. Under her leadership it became a major component of RESO's work. The decision to confer such important responsibilities in economic development on two community organisers was not taken lightly. Michèle and I were obliged to submit to an outside evaluation by the same consulting firm that evaluated candidates for management positions at Hydro Quebec. Despite our reticence to embark in a process adapted to the private sector, we passed the tests with flying colours. The consulting firm that carried out the tests even tried to recruit me! This was more evidence that the community sector is filled with talented people who are greatly underestimated by society. To complete RESO's management team, we recruited Gildas Quentin, a young engineer from Lavalin (a well-established Quebec engineering firm). Gildas was a local resident already

involved on a voluntary basis in the community sector and agreed to ‘make the leap’ to RESO as Director of Business Services.

In the following years, our insistence on according a coordinating role to local stakeholders proved to be a wise choice. Though local actors quickly began to put in place the proposed actions, governments tended to function at a much slower pace. In a few cases, we had to increase the pressure to ensure that the planned public investments were carried out. This was particularly the case for an important infrastructure project, replacing the obsolete Wellington Tunnel with a bridge.

Thus, on a snowy day, in collaboration with community groups and the Southwest Business Association, RESO organised a demonstration with, as a ‘prop’, an excavator supplied by a local entrepreneur. In front of the media, we symbolically simulated digging up a first shovelful of earth to launch this strategic infrastructure project. ‘Will we have to do the digging ourselves?’ asked President Roger Lanoue, while standing in the shovel of the excavator. The action produced results and the Wellington Bridge was completed, opening the way to a strategic industrial sector.

The implementation of the revitalisation plan was met with great enthusiasm and many new initiatives emerged. But we quickly hit a wall. Despite government recognition of the need for sustained intervention, public action was organised within the frameworks of existing programs. Yet the rules and regulations of these programs did not allow us to achieve our goals, both in terms of training and workforce integration, and support for job creation for the local population. Frustration was rising among local actors. How could we support workforce integration for the jobless when they had no access to formal vocational training? And yet, during this period, this was the case for welfare recipients. How to convince businesses to hire locally? Why couldn’t RESO engage directly in business development, rather than wait for someone else to take the initiative?

A pilot project in local development opens the door to innovation

The community’s desire to engage in economic development differently finally found an attentive ear during an initial contact with Paul Martin, candidate for the Liberal Party in the Southwest’s Lasalle-Emard riding in the 1991 federal election. Mr Martin was looking for new ideas, particularly in the field of socio-professional integration of youth and I was invited to a private meeting with him. As Executive Director of RESO, I

argued for the possibility of escaping rigid programs to better respond to local needs. I reminded Mr Martin that while innovation was essential in the private sector, it was systematically stifled in the public sector. ‘Avoid creating precedents’ was one of the first things that civil servants were taught, I explained. Yet innovation is, by definition, the creation of precedents and precedents are greatly needed in the social sector.

Confronted by this plea for social innovation, Mr Martin made a commitment to support a pilot project in local development if his party was elected. This discussion with the future federal Minister of Finance (as well as Minister responsible for the federal Quebec Regional Development Office), marked the inception of an important pilot project in Southwest Montreal.

The pilot project was unique in its form and its scope. Mr Martin solicited the participation of the Quebec government through his counterpart Gérard Tremblay, Minister of Industry and Commerce in Robert Bourassa’s Liberal government. For five years, the governments of Quebec and Canada agreed to hand over the management of public funds to a local development organisation without defined norms. In doing so, they agreed to an evaluation based on results rather than standards compliance. Substantial sums were made available for experimentation and the creation of innovative projects, including \$5 million for labour force development and another \$5 million for business development.

The results were significant. Thousands of unemployed residents were given access to ‘non-standard’ services. Many innovations not only produced good results but also influenced the development of new programs. Here are some examples.

POISONING QUEBEC? OR GIVING HOPE TO THE JOBLESS?

The illiteracy rate among the unemployed in the Southwest was high. For this segment of the population, the path to finding a job was very long: learn to read and write, complete three years of high school, receive vocational training in a sector in demand in the labour market and find a job. All this at a time of high unemployment! It took a lot of courage and tenacity to succeed. In order to shorten this process, RESO proposed to create a training program in institutional cooking (an identified labour market shortage). Participants would learn to read and do basic arithmetic during their vocational training. This shortened the workforce integration process by several years.

The first school board approached by RESO, the Catholic School Board of Greater Montreal, was not the least bit interested. Guy Biron, a member of RESO's employability team, told us 'You'd think we were planning to poison Quebec'. However, because we were managing public funds without restrictions, the project went ahead with the collaboration of the Marguerite Bourgeois School Board. The results were conclusive. The initiative gave rise to a workforce integration enterprise, Alpha-cuisine. Now known as Cuisine Atout, it is still active and offers vocational training and good food to local residents.

NEVER TOO LATE

The preservation of jobs in the manufacturing sector was a priority for RESO. Thus, when the manager of Consumer Glass, a factory employing 800 workers in Pointe-Saint-Charles, informed us that the shop might close because of workers' resistance to technological change, we knew we had to act. A discussion with Gaston Lemieux, president of the local union, revealed that the resistance was due to the fact that many workers didn't want to admit that they were illiterate, and therefore could not adapt to the new technologies. From this was born an innovation in training: the creation of a workplace literacy program. Several partners contributed. The employer provided space and paid workers to study for the last hour of their shift; workers gave an hour of time after their shift; a neighbourhood community organisation with experience in adult literacy programs took on the training; the union helped organise and support the process; and RESO served as its coordinator and funder. The results were conclusive and today, the factory is still operating! The community group that developed the program created a social economy enterprise to offer this service more broadly. Today, 40 people work for Workplace Literacy (FBDM)²⁸.

Reality Gives Standards 'the Boot'

The pilot project in local development did not allow us to escape completely from the absurdities associated with rigid application of standards and regulations. We learned this lesson rapidly when we took an initiative that, at the time, set a precedent: to offer vocational training leading to a diploma for welfare recipients. Prior to the repatriation of federal funds and the creation of Emploi-Quebec²⁹ in 1997, welfare

²⁸ *Formation de base en milieu de travail.*

²⁹ A government agency responsible for employment and workforce development.

recipients had no access to federal training funds. However, in the context of our pilot project, we 'bought' a course to train welders, a skill in high demand on the labour market. We received over 150 applications for 12 spaces in the program, which was scheduled to begin at the end of October. To begin the program, steel-toed boots were required. 'Buy your boots and we will pay you back later', participants were told. It took quite a disconnect with reality to think that welfare recipients had enough money at the end of the month to buy expensive boots. And without the boots, the path to freedom from welfare dependency was blocked. RESO asked the Vocational Training Commission (CFP)³⁰ to advance the money immediately but the response was categorical. These were the rules and they could not be changed. Faced with our threat to denounce this Kafkaesque situation publicly, André Bourbeau, the Minister responsible for Labour Force Training, dispatched a political aide to Montreal. Fortunately, realising the absurdity of the situation, he quickly solved the problem. But this was only one example of the many hassles and useless or inapplicable rules we had to confront over the years in the course of enhancing employability in the Southwest.

Grants or Investments for Business?

RESO not only deviated from the beaten path in the field of training but also in its support for business development. An example is RESO Investment, which became the inspiration for a network of regional funds created by the Quebec Solidarity Fund. RESO Investment emerged from our questioning of a new federal program designed to attract manufacturing enterprises to the Southwest. Businesses would receive grants and be obliged to stay there for at least two years. Based on the impacts of a similar program in the east end of Montreal, RESO feared that these companies would leave after that period. What a waste of public funds! In order to ensure a long-lasting impact, RESO proposed to convert this grant program into a venture capital *investment* initiative for businesses that would be set up in Southwest. 'In the worst case,' was our argument to the government, 'we will lose the money, as in the case of a grant. In the best case, we will be able to recycle the same money several times over and create more jobs'. And we were right. RESO Investment became an important tool in the territory's economic revitalisation.

³⁰ *Centre de formation professionnelle.*

Mobilizing community support for revitalisation efforts

The recognition and funding of RESO did not put an end to community mobilisation efforts. Far from it. An array of initiatives were taken to inform, mobilise and encourage participation was deployed. Every annual meeting of RESO was an opportunity to welcome and listen to local residents, to hear their needs and suggestions and to make known the available support tools. Fairs, networking activities, cultural and social events were among the means used to secure the buy-in and engagement of local actors and residents. Those who used RESO's employment services were not considered 'clients' but participants and a Participant Committee was struck. Instead of 'unemployed,' the term 'jobless' was chosen in order to avoid discriminating between recipients of unemployment (read 'good'), recipients of social assistance (read 'lazy') and those ineligible for any government support at all. The Participant Committee mobilised hundreds of people, many of whom remained involved even after having succeeded in re-entering the job market. Their motivation: to support and encourage the next wave of participants starting the process that had helped change their own lives.

Local media played a supporting role in this process. The *Voix Populaire*, a newspaper delivered door to door to all households in the Southwest, covered RESO's activities on an on-going basis. Nicole Mousseau, a local journalist, became an unwavering ally and contributed to RESO's high level of visibility among the residents.

This public recognition was illustrated through an initiative launched by RESO to attract a new vocational training centre to the Southwest. Robert Goyette, RESO's Director of Communications, hatched the idea of launching a petition to support our demand. Within three weeks, 16,000 people had signed the petition, not to denounce an injustice or defend a charitable cause, but to demand that training infrastructure be established in the area. Even traditional citizen mobilisation strategies took on a new aspect in this context of social innovation!

Another example of community recognition was my nomination, as Executive Director of RESO, to the Board of Directors of a major employer in the Southwest. AMF (a affiliate newly-created by Canadian National to manage the railyards in Pointe-Saint-Charles) had the mandate to find new rail contracts in the U.S. after a decision was made to concentrate CN's maintenance in Winnipeg. Despite the enormous challenge, Fausto

Levy, the CEO of AMF and member of RESO's executive committee, multiplied efforts to maximise positive impact in the area through local purchasing and hiring. The presence of a community representative on the Board was an exceptional gesture and had an important symbolic value.

'Economically viable and socially profitable' businesses: developing the social economy without even knowing it!

Direct contact with business and private entrepreneurs had a remarkable impact on community organisations involved in the revitalisation process. An entrepreneurial approach to solving problems was revealed to be a promising path forward. However, we also began to understand that entrepreneurship could be more than an individual initiative. Individual approaches did not reflect the collective approach fundamental to community action. Few people in the community sector saw themselves as private entrepreneurs. And yet, the potential to develop businesses with a social mission was increasingly recognised. The option of collective entrepreneurship slowly emerged as a possible solution, but support tools were nonexistent. Despite this, we were able to find resources to support the creation of workforce integration enterprises, and a few cooperative initiatives were tested as well.

The model of the workforce integration enterprise came to Quebec from France, the first of its kind being Boulot Vert, launched in Hochelaga-Maisonneuve in 1984 (though at the time it did not identify itself as such an enterprise). We were witness to the success of this model in 1986 during that study mission in France with the OFQJ, in company with Celine Charpentier, future CEO of an east-end community economic development corporation.³¹ Since then, the model has rapidly spread across Montreal and all of Quebec.

The potential of non-profit social enterprises, be they for the purpose of workforce integration or other objectives, rapidly attracted the interest of RESO and its partners. As aforementioned, 20% of RESO Investment's funds had to be dedicated to 'economically viable and socially profitable' enterprises. In fact, we were talking about what in a few years would come to be known as 'social economy enterprises'.

³¹ Ms Charpentier later became CEO of the CSMO-ESAC. See Chapter 3, p. 53.

Issues and lessons

This period in the development of the social economy allowed us to test new practices linking economic and social dynamics. Though the extent of these practices was limited by the scarcity of resources, it was a time of great creativity and numerous innovations. The lessons learned clearly influenced the development of the social economy a few years later. These six are among the most important.

1. The need to create spaces for social innovation

The creation of community economic development corporations was, in and of itself, a social innovation. Shared governance among a variety of stakeholders and a mission integrating social and economic objectives were at the heart of these innovations. But beyond the actual structures based on new forms of collaboration, the most important progress was in terms of the space created to test new approaches to development and to counter social exclusion and poverty. This same need to break with traditional approaches emerged in rural regions, as illustrated by the creation of Rural Solidarity.

The innovations during this period arose in response to identified community needs for which there seemed to be no existing solution. It became necessary to imagine new ways of doing things to revitalise declining communities, to favour socio-economic integration of people in situations of exclusion, and to save jobs. This capacity to innovate was a direct result of the existence of spaces for deliberation and exchanges between various stakeholders. It illustrates the fact that social innovation is a collective process and the result of collective intelligence rather than individual action.

These spaces for deliberation and collaboration also allowed the emergence of an integrated approach. Recognising that the socio-economic development of a territory depends on a series of inter-related factors (urban planning, training, education, housing, job and business creation and consolidation, investment) the presence of actors from diverse backgrounds with various types of expertise was a major asset in finding innovative responses to the challenges facing our revitalisation efforts.

At the beginning of the 1990s, the concept of social innovation was not in fashion. It was a difficult struggle to open up these spaces. Shared gov-

ernance, involving actors functioning with a diversity of logics, quickly became fertile soil for creativity and innovation. At the political level, the collective strength that emerged from these local coalitions helped us convince government and other partners to support these innovations. Furthermore, the very ‘culture shock’ that occurred between actors from business, community organisations, unions, the cultural sector and researchers provoked new ways of doing things that utilized everyone’s specific strengths.

Initially, the CDECs operated as pilot projects for the government under limited regulatory constraints. This advantage allowed us to show the force and potential of these innovative spaces for the socio-economic development of communities. Even today, retrospective evaluation of these numerous initiatives in the empowerment of urban citizens comes down strongly in favour of social innovation.

2. Local rootedness and empowerment are essential at every stage of development

Community economic development initiatives were born out of community mobilisation in neighbourhoods and villages around the issues of employment, the fight against poverty and social exclusion and for quality of life. As described above, these mobilisation efforts led to the creation of collaborative spaces and innovations based on an integrated approach, including support for SMEs, vocational training, urban planning and commercial development. Interventions were very diverse and often complex; it became more and more difficult for the community to keep track of our actions. The pressure to rely on ‘experts’ to orient our work was strong and the danger of abandoning citizen mobilisation as a source of inspiration and validation was real. Fortunately, most community economic development organisations undertook to ensure the active participation of local actors and to keep the local population well-informed. This required a high level of creativity in our communications strategies and in the nature of our governance and mobilisation processes. The use of electoral colleges, the engagement of participants in the process of integrating the labour market, the strong presence of local media, and networking, exchanges and cultural activities – all played their part in the many efforts to maintain and strengthen our roots in the community.

This investment proved to be very profitable. Our capacity to find innovative solutions for community development was directly related to our rootedness in that community. This approach bore fruit at many levels: in the efficiency of initiatives conceived by and for the community; in our capacity to convince government to support these interventions; and in the learning processes that led to the reinforcement of both individual and collective empowerment. This desire for empowerment was echoed in the very definition that we gave to the social economy at the Summit on the Economy and Employment in 1996. (See Chapter 3, p. 51.)

3. Entrepreneurship for the benefit of the community is possible

Creating local jobs to respond to problems of unemployment and social exclusion was vital to every community economic development strategy. At first, our actions focused solely on supporting the expansion of existing businesses and attracting new private companies. The strategy produced results but the work also brought to light many untapped opportunities to create new economic activities with a strong social outcome. Since traditional tools did not allow this type of entrepreneurship, our only option was to patiently wait for an individual entrepreneur to take up the challenge. The wait would be long!

Thus, in the process of working with local entrepreneurs, the idea and desire for collective entrepreneurship emerged in the community sector. The possibility of creating businesses for the specific purpose of benefitting the community became an attractive and doable course of action. Proximity to the business community allowed us to demystify the process of starting an enterprise. Why not apply this same approach to creating businesses that took on social, environmental or social challenges? It was not a huge leap to make.

The other advantage of this approach was the possibility of deepening our roots in the community. We already were inspired by the idea of organisations that were accountable and belonged to the community; the possibility of enhancing this model with an entrepreneurial approach became very appealing indeed.

Unfortunately, the programs and tools to support collective entrepreneurship were nonexistent. It was the innovation space created by the CDECs that permitted experimentation in the creation of non-profit enterprises, especially for the purpose of workforce integration. That com-

mitment to community entrepreneurship drove the creation of RESO Investment and the decision to dedicate 20% of the funds to enterprises considered 'economically viable and socially profitable'. This first experience of investment in collective enterprise was the inspiration for the creation of RISQ in 1997. (See Chapter 3, p. 54.) More broadly, the desire to use collective entrepreneurship to generate both businesses and jobs was the source of inspiration for the Chantier de l'économie sociale in 1996.

4. Maintain a creative tension between economic and social imperatives

Maintaining a balance between the social and economic dimensions of our action was a source of debate and tension at different points in the evolution of place-based processes of community economic development. Economic actors were not used to taking into account the social impact of their businesses and social actors feared that their social missions would be jettisoned in the work of local economic development. Even the sharing of resources within local organisations, between support for the jobless and support for business, could be an occasional source of tension. In the end, these tensions proved to be a source of creativity in our approaches, certain of which produced exemplary results both for business and the local population. Local hiring, local sub-contracting by large enterprises, the creation of community businesses were all positive outcomes of this creative tension. Recognising these tensions as a source of creativity and innovation, and not as an obstacle, allowed a diversity of stakeholders to work together to reconcile social and economic goals. The recognition that social and economic objectives were not incompatible but could exist within the same business was, once again, a source of inspiration for the rise of the social economy a few years later.

5. Think globally, act locally: the strength of networks

Work at a local level was demanding and resources were scarce. The challenges were numerous: gain recognition, maintain efficiency in our work, take into account local aspirations and involve the community in a wide variety of initiatives. There was little time left to raise our heads above the crowd and look elsewhere. There was also the very normal reflex of many actors to believe that their situation was unique and that they would have to manage on their own. 'Local Action' was a wake-up call to a new reality, that of a local development movement that had become

international. Action at the local level was part of an emerging movement that questioned dominant economic strategies and demanded a role for citizen action in economic development. In this context, the need to create networks linking local citizen empowerment initiatives became clear. The creation of a network of community economic development corporations, of Rural Solidarity and the COCDMO, the links established with the Canadian Community Economic Development Network (CCEDNET) – all are examples of the recognition of the importance of connecting local experiences to a broader movement.

The benefits of these investments in national and international networking were quick to manifest themselves. First, mutual learning became a powerful development tool. Inspiration from other communities' actions and their adaption to one's own reality helped accelerate community economic development (CED) processes and the creation of new CDECs during this period. Over the years, the creation of networks also allowed us to affirm ourselves at a political level and to win government support. Finally, networking enabled us to support each other in difficult times; acting locally and thinking globally had a substantial impact on our capacity for mobilization.

Creation of the Canadian Community Economic Development Network

Elsewhere in Canada, we were witness to a growing interest in community economic development, but no organisation or public policies existed to bring this movement together. For this reason, in 1997, a few individuals met to form the Canadian Community Economic Development Network (CCEDNET). Membership rapidly grew from 16 in 1999 to 167 in 2001. This network, still very active today, has over 220 members, individuals and organisations. CCEDNET's mission is to 'connect people and ideas for action to build local economies that strengthen communities and benefit everyone'. The CDECs from Quebec, as well as other local development actors, built links with this network while maintaining their autonomy on a political level. These collaborations allowed us to connect with similar experiences elsewhere in Canada and to benefit from the expertise and lessons learned.

6. Long-lasting impact through collective ownership

The focus on individual entrepreneurs and the central role of private business in place-based development strategies raised questions concerning the sustainability of their impact. How to guarantee long-term benefits for the community? How to ensure that the positive impacts of economic development were shared among all? In the context of globalisation, it was risky to rely exclusively on the good will of private entrepreneurs and developers to achieve positive outcomes for local development.

Place-based approaches quickly resulted in an increased engagement of municipal governments on the front lines of revitalisation processes. The purchase of buildings and lots by the City of Montreal and the development of public spaces along the Lachine Canal by the three levels of government were proof of the importance of the public economy in place-based development. To complete this approach, collective organisations emerged as vehicles of sustainable development for the benefit of the community. In housing, for example, the accelerated production of community housing (non-profit and cooperative) was quickly targeted as a means to protect local residents against speculation and the rising phenomenon of gentrification as well as to allow a mixed population and avoid ghettoization. The possibility of creating new businesses rooted in the community and pursuing a logic other than that of maximising shareholder profit became imperative to the future of our communities. Through our relationship with the business community, we identified needs and opportunities but only had access to support tools for private, for-profit projects. Business projects were not lacking and the need to create tools for collective entrepreneurship became evident.

The limits we confronted in the work of community economic development corporations led us to conclude that we had to look further and more broadly in order to succeed in developing our local economies for the benefit of the local population. In other words, we had to scale up and equip ourselves with more efficient tools to achieve our mission. The rapid expansion of the social economy after 1996 reflected this fact. It is no accident that the development of the social economy has always been firmly anchored the placed-based approach and in the determination of local communities to empower themselves by means that are sustainable and socially just.

Towards the Summit: The Social Economy Cuts its Teeth

Context: an exceptional event in a singular context

In 1995, the second referendum on Quebec's political future within the Canadian confederation was held. Quebec society was deeply divided over the choice to stay or to leave Canada and become an independent state. The results were extremely close: only 40,000 votes separated the two camps, with 50.58 % against and 49.42% for Quebec sovereignty.

Following the referendum, Lucien Bouchard, a charismatic political figure, became Premier of Quebec, at the head of a Parti Québécois government. He had the challenging task to govern Quebec in a very difficult period. For, above and beyond the divisions stemming from the referendum, Quebec society was confronted with high unemployment and problems of devitalisation, especially in rural regions far from urban centres.

A distinctive element of Quebec's political culture is the tradition, often in difficult times, of organising summits and other types of events to foster social dialogue. Their purpose is to mobilise the whole of Quebec society around common goals. This practice is unique to Quebec, demonstrating once again the fact that it constitutes a distinct nation, with a very different political culture from the rest of Canada. This identification is widely shared by people in Quebec, independently of their position on Quebec's sovereignty. 'Whatever we say and whatever we do, Quebec is today and forever a distinct society, free and capable of assuming its fate and its development', asserted Premier Robert Bourassa (a federalist leader) in May 1990. This desire for national affirmation, and especially the resolve to survive as a French-speaking society in the English-speaking sea of North America, have greatly influenced Quebec's political culture and underlie the high level of social dialogue over

the past decades. The Summit of 1996 is an important example of this capacity for social dialogue.

'Daring Solidarity': the challenge is issued

The Summit on the Economy and Employment, convened by the government of Quebec in October 1996, marked a major step in the evolution of a movement for a more inclusive and democratic economy. The event represented a turning point in the recognition of civil society as an economic player and the advent of a shared identity among Quebec's collective organisations under the umbrella term 'social economy'.

Given the overall political culture and the context, it came as no surprise that the Bouchard government chose to organise a summit on the economy and employment. However, unlike previous summits, this one featured strong representation of social and community networks. Social movements, in particular the women's movement, which had spearheaded the 1995 Women's March for Bread and Roses, had forced the issues of poverty and social exclusion onto the public agenda. It would have been difficult to hold a summit based on social dialogue in absence of the actors (community-based organisations, principally) who were grappling with these issues. That being said, the COCDMO, in which I was involved on behalf of RESO, had to hold a press conference to claim and win a place at the table.

Note that the Summit on the Economy and Employment was preceded by a socio-economic conference in March 1996 to review the government's financial situation and try to develop a consensus on the importance of eliminating annual government deficits. While these discussions went on inside a Quebec City hotel, on the streets outside demonstrators denounced the government proposal to reach a zero deficit in a few years. In this debate over public finances, labour unions and employers were the principal contenders whereas we from the community sector were mainly spectators, since our concerns centred on the issues of poverty alleviation, access to qualified training and job creation. So we were relieved to learn that a summit to address the economy and employment would be held six months later.

In preparation for the October event, Mr Bouchard was clear: the government was not in a position to create new jobs. Instead, he challenged the private sector and civil society to propose new strategies, to 'dare' to

do things differently. Four working groups were created, one focused on enterprise development, one on Montreal's economy, one on regional development and one on the 'social economy'. The decision to create this last committee was directly in reply to pressures from the women's movement and the community sector. What nobody had thought about was the issue of who would lead such a committee. Several individuals were suggested – all men! Understandably, many insisted that a woman head it up, and the choice fell on me, given my experience in community economic development. A few minutes before Premier Bouchard announced the committee's creation, I accepted the mandate without really knowing what it meant!

I thus found myself at the head of the *Chantier de l'économie sociale*, or 'Chantier' for short – a working group whose subject, 'social economy', meant very little to me or to my friends and acquaintances. And nevertheless in six months, I had to deliver proposals to help Quebec get back on its feet economically. The challenge was as daunting as it was irresistible. This was a golden opportunity to demonstrate the dynamism, creativity and pragmatism of collective organisations.

The period March to October 1996 was an unprecedented collective experience of networking and mobilization around a common purpose: to put forward collective action as a path for Quebec's economic development. Within government and business circles, no one expected us to deliver anything substantial. All eyes were turned toward the business community and the working groups led by well-known business leaders. In the prevalent vision of the time, our role in terms of the economy and employment was to take care of people on social assistance. They were in for a surprise.

In those six months, our working group mobilised hundreds of people in diverse sectors and regions to prepare proposals for the Summit. Over 200 people participated in committees to refine proposals and action plans. As our recommendations materialized, we began discussions with diverse ministries to identify the policies, programs or investments needed to achieve our goals. In certain cases, we could count on the complicity of civil servants and we felt that everything was possible. However, in other files, the resistance to change was strong. Our proposal to experiment with a new concept in early childhood education and create Early Childhood Centres³² vexed bureaucrats, who viewed themselves as reg-

³² *Centres de la petite enfance.*

ulators and not developers. Fortunately, the Minister responsible for this file, Pauline Marois, with the support of Mr Bouchard, saw things differently. During the Summit, they seized the opportunity to launch a new Quebec family policy that supported the creation of an association of Early Childhood Centres at a cost to parents of \$5 a day. Housing groups, which had formulated demands before the Summit convened, chose to include their proposals in our working group's report. This was a wise strategic decision and led to the implementation of a new government program, Accessible Housing (*AccèsLogis*). Since that time, it has enabled the construction of thousands of units of community housing.

Quickly, the word spread through diverse community, environmental and local development networks. Here was an opportunity which should not be missed. Community-based developers (of whom a majority were women) from sectors as diverse as daycare, forestry cooperatives and housing, put their shoulders to the wheel to formulate concrete proposals to present at the Summit. Almost every proposal originated in community-based actions aimed not only at creating jobs but also addressing social needs and revitalising local communities.

The Development of an Association of Early Childhood Centres

During the Summit, the Social Economy Working Group took it upon itself to propose projects that created jobs while responding to social needs. Accordingly, a pilot project was put forward: to establish, in partnership with the non-profit daycare centre network and the Quebec Inter-Regional Daycare Coalition,³³ 15 Early Childhood Centres (CPEs) offering spaces at reduced rates. At the Summit's end, the minister responsible, Pauline Marois, instead announced the transformation of all non-profit daycares into CPEs accessible at \$5 per day (approximately 15% of actual costs). A period of rapid expansion followed, with demand outpacing supply, despite the fact that between 1997 and 2003, the number of daycare spaces grew from 78,864 to 168,046.

Today, despite the less favourable policy environment of the past decade, 993 CPEs and coordinating offices are in operation, organised into 11 regional bodies and a national association. With 25,000 workers, early childhood educational services represent one of the biggest employers in Quebec's social economy.

³³ *Concertation inter-régionale des garderies du Québec.*

AccèsLogis: Supporting the Development of Non-Profit and Cooperative Housing

At the time of the Summit, community housing networks were in the process of renewing government support programs for community (non-profit and cooperative) housing. Taking advantage of the Summit's context, they participated in the social economy working group. It integrated several of their proposals into its report 'Daring Solidarity', including the creation of a community housing fund. The strategy was successful and resulted in the adoption of a genuine support program in 1997, AccèsLogis. Its establishment went hand-in-hand with that of the Quebec Fund for Community Housing,³⁴ a consultative body comprising representatives of social economy networks (housing coops, non-profit housing, technical resource groups, the Chantier de l'économie sociale) and municipalities. Head-to-head with an ongoing housing crisis and a provincial budget targeting the threat of a recession triggered by international events, AccèsLogis was renewed and enhanced by an affordable housing program in 2002.

Members of the Social Economy Working Group

François Aubry, Confederation of National Trade Unions; Josée Belleau, Women's Coalition against Poverty (Coalition des femmes contre la pauvreté); Thérèse Belley, Steering Committee on the Social Economy (Comité d'orientation et de concertation sur l'économie sociale); Simon Brault, Montreal Culture Group (Groupe Montréal Culture); Miche Doray, Quebec Federation of Desjardins Credit Unions (Confédération des caisses populaires et d'économie Desjardins); Roger Lanoue, Hydro Quebec; Julie Lévesque, Quebec Youth Council (Conseil permanent de la jeunesse); Jacques Ménard, Nesbitt Burns; Monique Richard, Quebec Teachers Union (Centrale de l'enseignement du Québec); Dominique Savoir, Quebec Labour Federation; Majella St-Pierre, Quebec Cooperative Council (Conseil de la coopération du Québec); Nancy Neamtan, Coalition for the Renewal of Southwest Montreal.

Technical team: Gilles Beauchamp, Jean-Pierre Bélanger, Claude Carbonneau, Paulette Colangelo, Martine D'Amours, Guy de Grandpré, Denise Julien, Francine Landry, Robert Laplante, François Lord, Julie Martel Marie-Hélène Méthé, Lorraine Séguin, Marc Tremblay, Lynda Vallée.

³⁴ *Fonds québécois d'habitation communautaire.*

The engagement of such diverse participants was the key to our success. Even Mr Bouchard got caught up in the enthusiasm generated by our working group. Since the Summit's venue could accommodate very limited numbers, we organised an event a few days prior that was open to all the report's contributors. I wanted to give them all a preview of its contents and to thank them for their contribution. I also insisted that Mr Bouchard attend. When he entered the hall, crowded with more than 200 people, including leaders of major social movements as well as businessmen, the energy in the room inspired him. He proudly announced that all our proposals and projects would receive the support of his government at the Summit! This flatly contradicted the position of several civil servants who had stonewalled our audacious proposals. I will never forget the expressions on their faces when they heard the Premier's words. As for me, I was smiling from ear to ear!

This exceptional mobilisation of community-sector players enabled us to produce a report which remains relevant today. In reply to the challenge to 'dare to do things differently', the working group compiled 'Daring Solidarity', a report that demonstrated the huge potential that the social economy represented for Quebec's socio-economic development. Moreover, our first recommendation was to recognize the social economy as an essential component of Quebec's socio-economic structure and by consequence, to ensure the active participation of its representatives in future social dialogue on the economy.

The social economy makes its Quebec debut

'Daring Solidarity' stole the show on the first day of the Summit. Rather than making the expected proposals for new welfare programs, we took everyone by surprise with concrete projects, solid arguments, relatively inexpensive but creative proposals for creating permanent jobs, and all without negating the values so dear to us. The report received a very positive response from the vast majority of Summit participants; we were even treated to spontaneous applause. With the exception of certain public sector labour unions, which feared that the social economy would be used to replace public services, many people were impressed with the proposal to recognize and support collective entrepreneurship, its innovative approaches and its promises of results. The government of Quebec grasped its potential and committed to implementing a series of measures

suggested by the working group in several sectors, including homecare for the elderly, early childhood education, community housing, perinatal services and waste management (waste reduction, recycling and re-use). All together, 24 projects were retained and supported by the Quebec government in the follow-up to the Summit.

An Extract from the Introduction to the Report 'Daring Solidarity'

On the occasion of the Summit, we urge all our partners to embrace a level of audacity commensurate to the challenges that we confront: stay true to who we are; fix on the values that can marshal every living power within us, that Quebec may rise again, once and for all.

That does not mean that we must acquiesce in proven solutions. We don't need a Summit to tell us that we simply have to do more of the same. We also have to do things differently. We have to summon up our imagination, our creativity and our resolve to go one better – each of which finds daily expression in every region and economic sector.

The current realities of unemployment and exclusion cruelly demonstrate the failure of conventional means. Hundreds of thousands of our fellow citizens are paying the price of a runaway traditional economy. To do things differently requires a spirit that is both entrepreneurial and experimental. It also requires that we avail ourselves of the means to succeed.

The purpose of this report is to demonstrate the dynamism of Quebec's social economy. It also proposes to government and all the partners gathered at the Summit that they foster the emergence of a development logic that accentuates employment and competitiveness, without compromising solidarity.

We had no idea that this working group would be the start of a permanent organisation with an international profile and tangible, long-term impacts. This formal recognition of the contribution of the social economy also paved the way to later government decisions of strategic importance for its future: the integration of collective entrepreneurship into local development policy (1997) and the recognition of the community sector as full partners in the implementation of the Labour Market Partnership Board³⁵ in 1997.

³⁵ *Commission des partenaires du marché du travail.*

The enthusiastic response of Summit participants to the report and the innovative character of its proposals underlay a decision to extend the life of the working group. Given our experience following the CREE-SOM report, I knew that handing over to government to responsibility to follow up the report would spell the end of this innovative process and of a central role for civil society in the implementation of the proposals. Fortunately, the government agreed. It offered to finance the working group for another two years and the Desjardins Movement supplied us with offices within Complexe Desjardins. The adventure that started at the Summit was to continue!

It was a small team that, with the support of a steering committee, devoted itself over the next two years to turning our action plan into reality and implementing the various strategies and tools that we had proposed. We were convinced that the situation was short-term; we had all returned to our respective organisations half-time. Now, with the other half of our time, we set to work supporting the development of our projects.

Creation of the Sectoral Council on Workforce Development in the Social Economy and Community Sector (CSMO-ESAC)

Although responsible for employment services, the Quebec government chose to rely on an array of partner entities for the development of certain initiatives and directives. Thus, a network of sectoral councils composed of workers' and employers' representatives had been established to identify needs in 29 economic sectors. At the Summit, the working group proposed the creation of a sectoral council for the social economy and community sector.

Launched in 1997, the Sectoral Council on Workforce Development in the Social Economy and Community Sector³⁶ (CSMO-ESAC) analyses the needs of workers, managers and administrators of social economy enterprises and provides access to training and various tools to strengthen their skills, while taking into account the unique features of the democratic enterprises in which they are active. The CSMO-ESAC is behind many training and apprenticeship programs, the publication of tools for the effective management of collective enterprises, succession planning, and national campaigns for the promotion of skills and professions within the social economy.

³⁶ *Comité sectoriel de main-d'œuvre en économie sociale et action communautaire.*

Creation of the Quebec Social Investment Network (RISQ)

Originally named the Social Economy Development Fund, RISQ was initiated by the Chantier in 1997 as a direct result of the Summit. Its founding opened the door to new forms of venture capital that are in search of a social return. Without access to such financial leverage, diverse projects would never have seen the light of day.

Twenty years later, by means of the Quebec Intersectoral Model, it is possible to estimate that the \$11 million invested by RISQ has helped to secure \$186 million in project investment, \$278 million in revenues, and to directly or indirectly consolidate (or maintain) 5,680 long-term jobs. It has added \$300 million to Quebec's GNP and has contributed \$42 million to provincial government revenues and \$13 million to federal government revenues.

It was a period of great creativity. RISQ, the first investment fund dedicated exclusively to collective enterprises, was officially created in 1997. It was based on \$10 million in financial commitments, half from private companies and the other half from the Quebec government. The Sectoral Council on Workforce Development in the Social Economy and Community Sector (CSMO-ESAC), launched in the same year, achieved the recognition of collective organisations within the network of government employment services. The launch of networks of Early Childhood Centres, social economy homecare enterprises and recycling businesses were all part of this exciting post-summit period.

Risking investment in the social economy: an unconventional partnership

In the last weeks before the Summit, I had managed to spend half an hour with a number of business leaders who had formed a group to prepare their participation in the Summit. Among them were the CEOs of Bombardier, Alcan, the Royal Bank and the National Bank. My goal was to win their support for an unusual initiative, one which had the prior backing of two of their number (Jean Coutu and André Bérard), the presidents of the other working groups. Nevertheless, I was not all that welcome – the consultant the business leaders had hired to assist them was also mandated to protect them from solicitations from people like me! Nevertheless, at the last minute I got the chance to make

my pitch: that they should contribute to the creation of an investment fund for social economy enterprises. The government of Quebec had already committed to match every private sector contribution, dollar for dollar.

They accepted! Alcan, the Desjardins Movement, Bombardier, the Royal Bank, the National Bank, Imasco and, a few months later, Cirque du Soleil each contributed \$300,000. Jean Coutu contributed \$1.5 million (\$500,000 from his company and \$1 million from his foundation). In total, I was able to raise \$5 million to capitalize what came to be known as the Quebec Social Investment Network (RISQ).³⁷ Now, there can be no doubt that the leaders accepted my proposal in large part because they wanted to make the Summit a success. Most looked upon their contributions as they would any charitable donation, where the money gets spent and then forgotten. André Bérard, President of the National Bank, was enthusiastic, because he saw the potential for this initiative to win new clients for his bank. Initially, the staff at the Desjardins Movement had rebuffed me; even within this cooperative institution, investments in small cooperatives or non-profits were considered too risky! Happily, Claude Béland, President of the Movement, was convinced of the relevance of such a tool and confirmed their \$300,000 contribution.

Twenty years on, RISQ has confounded the sceptics! The results have been very different from what those donors expected. The money did not trickle away. In fact, the survival rate of enterprises in which the fund has invested is much higher than similar investments in private companies, with a survival rate of 87% among start-ups and small-business expansions. According to Statistics Canada, the survival rate for traditional SMEs after five years is 60.5% and after ten years, 42.4%. In addition to the high survival rate, an in-depth study undertaken by Marie Bouchard (School of Management, Université de Québec à Montréal, or UQAM) in collaboration with E&B Data demonstrates the importance of both the financial and social impacts of RISQ. The study reveals that 80% of the investments have enabled enterprises to act on a new commercial opportunity or to compensate for inadequate access to a service or a product.

But RISQ's impact goes well beyond the direct effects its investments. RISQ became, to a certain extent, a laboratory for new practices that today are more widespread. An example of this strategic role was its

³⁷ *Réseau d'investissement social du Québec.*

decision in 2004 to publish *Le Guide d'analyse des entreprises d'économie sociale*.³⁸ Subsequently translated into English,³⁹ Spanish and Korean, and revised and re-edited in 2017, the Guide has become a reference tool for advisors, analysts, academics, investment committee members, fund managers and programs offered to social economy enterprises. It presents practical and user-friendly tools by means of which projects presented for funding by social economy enterprises can be examined and evaluated from a social and economic perspective.

The creation of a fund to fight poverty: an unexpected proposal

On the eve of the 1996 Summit, the community sector and feminist organisations, with the support of labour, proposed a 'zero poverty' clause. Its goal was to ensure that no new government initiative worsen the impoverishment of the poorest quintile of Quebec society. The government of Quebec had refused to support this initiative and, in protest, the community and feminist representatives at the Summit, including Françoise David, President of the Quebec Women's Federation, announced that they would walk out on the last day of the three-day event. However, these same organisations asked the members of the social economy working group to remain, in view of the important gains we had made.

This was the situation when I arrived early on the morning of the Summit's last day, for a preparatory meeting with the presidents of the other working groups, the Premier and some senior ministers, including the Minister of Finance, Bernard Landry, and the President of the Treasury Board, Jacques Léonard. I was despondent, a state of mind only aggravated by a phone call at the crack of dawn from Louise Harel, Minister of Employment and Social Solidarity. She said that for her, the absence of anti-poverty measures at the Summit was unacceptable. When André Bérard and Jean Coutu asked why I was in such a bad mood, I told them how disappointed I was that the government would turn such a deaf ear to poverty. To my great astonishment, these two reacted by proposing the creation of a special fund to fight poverty. Their proposal included a special tax for this purpose.

³⁸ In partnership with the Caisse d'économie solidaire, Investment Quebec, Fondation, MCE Conseils and others.

³⁹ *Guide for Analysis of Social Economy Enterprises* (RISQ, 2005, 2017).

This was quite a precedent! In general, business associations oppose new taxes and especially ‘dedicated taxes.’ And indeed, such a proposal from two prominent business leaders met with a stunned reaction from the Minister of Finance and the President of Treasury Board. In the end, it was the Premier who settled the debate and the Fund to Fight Poverty and Support Social Integration⁴⁰ was established. It would be capitalized over three years through a tax paid by enterprises (2.8% of taxes payable), financial institutions (3% of capital tax) and individuals (0.3% of income tax payable or the equivalent of one hour’s wages). It represented an outpouring of solidarity, bolstered by the will to make a success of the Summit. The Fund to Fight Poverty made available \$250 million for innovative approaches to reintegrating the economically disadvantaged into the labour market over the next three years. At the Quebec Summit on Youth in 2000, the decision was made to extend the Fund for another three years.

Though this fund supported numerous community action projects as well as initiatives in employability and social economy, the initial commitment to support innovation was quickly reduced to a normative, program-based approach. This curtailment illustrates how innovation within the machinery of government entails an immense challenge. The Quebec Auditor General’s report was what sounded the death knell for the fund’s original intent, and for any approach that simply was considered ‘too innovative’:

Based on the Treasury Board’s decision in September 1997, according to which the actions of the Fund are not subject to any norms, the Fund’s manager implemented a mode of management that was as flexible as possible, sown simply with a few ‘benchmarks’, some general ‘orientations’ and too few objectives, without any measurement indicators. Yet, management by results requires a definition of clear and measurable objectives, even when the choice of means remains open.

On the basis of this report, the government fell back on a traditional approach, imposing strict standards and leaving little room for innovation. A sad ending, indeed!

⁴⁰ *Fonds de lutte à la pauvreté pour la réinsertion sociale.*

Issues and lessons

1. The necessity to construct a common identity

The Summit on the Economy and Employment propelled the social economy to the forefront in 1996, if only for a brief moment of 'glory' and recognition. If this public visibility was relatively short-lived, the increased recognition had impacts at diverse levels, in particular within government. A variety of government measures and programs, all strategic to the development of social economy enterprises, would not have been possible without the construction of a common identity which went beyond sectors and specific juridical forms. By agreeing to be part of a wider vision, based on what united all of them rather than what distinguished each of them, collective enterprises and organisations were able to demonstrate the importance of their work and their development potential. The umbrella of the social economy, which numerous networks agreed to carry and to support, opened the door to new opportunities which no single sectoral network or region would have been able to access.

But the strategic import of having constructed this common identity transcended its impact on government recognition and on public policy. The recognition of another form of entrepreneurship, functioning on the basis of a logic unlike that of for-profit private enterprise, enabled us to integrate the work of social economy enterprises and entrepreneurs into a broader vision of the economy, based on solidarity and inclusion. For many actors in the sector, identifying with the social economy also meant identifying with an implicit or explicit criticism of the dominant economic logic and a determination to do business differently. Beyond the daily reality of a non-profit daycare centre, a worker's cooperative, a workforce integration business or a homecare enterprise, identification with the social economy opened the way to the construction of a movement that envisioned a new model of development.

The road there was neither straight nor smooth. The term 'social economy' sparked numerous debates in the political and public arenas, which served to cool the enthusiasm of some to assume this identity publicly. Certain networks took up the challenge without hesitation; others were slower to agree to wear the hat. In some cases, the debates evolved into open and painful conflicts. Years of promotion, debate and persuasion were to pass before a critical mass of networks and enterprises fully com-

mitted to build a movement based on a common identity and publicly identified themselves as social economy actors. But without this process, the social economy would never have been able to advance.

2. The necessity of a new relationship with the State, based on co-construction

The recognition of the social economy was seen by some as a rejection of the role of the State, for better or worse, particularly in the delivery of public services and in answering social needs. The 1996 'Daring Solidarity' report attempted to clarify our position.

In Quebec, as in other societies, the model of the Welfare state is in crisis. While one major factor driving its reconsideration is certainly the situation in public finance, it would be wrong to underestimate the structural dimension of this crisis.

Historically, and even more today, the social economy has developed as much in complementarity as in reaction to government intervention. Too often, public interventions during the last decades have involved 'standardized' programs designed and applied to answer specific needs. In many cases, the results have been indifferent at best. It is to this type of inadequate intervention that many social economy entities and enterprises have reacted, and instead demonstrated the efficiency of alternative approaches.

But support for the social economy must not be seen as an alternative to the State or as a form of State disengagement. To choose to support the dynamism of the social economy is to recognize a sphere of economic and social activity and organisation with its own distinct requirements. It is to recognize that there are needs – and ways of satisfying these needs to the benefit of all citizens – which are beyond the capability of the State and the market.

However the State cannot escape the responsibilities that it alone is able to assume.

Thus, social economy actors, and in particular the Chantier de l'économie sociale, positioned themselves right from the start as partners of government in response to collective needs. At the Summit, the approach put forward by the social economy working group was a key success factor. Rather than positioning itself as asking for government sup-

port, the working group proposed solutions to current challenges. The entire 'Daring Solidarity' report drew upon this partnership approach to demonstrate how government, while doing its duty, would benefit from the value added by the social economy. The social economy was presented as an asset to the public sector, an approach whereby citizens could be mobilised to find solutions to society's major challenges. The titles of the various sections of the report evoke this approach: the social economy is 'an avenue to express Quebec's cultural vitality', a 'means to respond to environmental concerns', a 'means to satisfy needs in housing and to improve the urban environment', a 'means to promote social inclusion of the excluded', a 'tool to transform our natural resources' and a 'means to provide the population with services adapted to their needs and realities'. Presenting ourselves as generators of solutions (rather than demands) for the State was a winning strategy.

Thus, the Chantier de l'économie sociale, in regard to the government of Lucien Bouchard as well as all its successors, positioned itself as a partner of the State in the co-construction of public policies. The 1996 Summit was a high point in this process of co-construction but the policies and programs created to support the social economy in the years to follow were also the result of proposals coming from the sector and negotiated directly with the State.

This positive and proactive approach slowly transformed the perception of public authorities towards the social economy and has facilitated mutual recognition and dialogue with diverse governments to this very day. Moreover, during these years, government measures concerning the social economy that did not originate in proposals from our sector were few indeed. Of course, the results often were not up to our expectations; but the advances were significant. The experience of the 1996 Summit demonstrates that, in a context such as this, where people are open to new ideas, a positive approach that combines proposals with co-construction is a winning strategy.

Community-based Collective Action: New Impetus for the Social Economy

Context: continuing economic recession

The end of the 1990s was characterised by an economy in difficulty both nationally and internationally. The impacts of a decade of neoliberal economic policy were being felt in industrialised nations and the phenomena of poverty and social exclusion were spreading rapidly across OECD countries.

However, this period was also an important time for the globalisation of social movements and witnessed an evolution in their strategies. Civil society organisations, both nationally and internationally, modified their approaches, passing from an oppositional role to one of proposing and implementing concrete strategies and pragmatic solutions. 'Alternative' practices multiplied in response to economic, ecological and social issues. For example, the World Social Forum (WSF), bringing together many 'alter-globalisation' movements was held for the first time in 2001 in Porto Alegre, Brazil, as a response to the Davos World Economic Forum, an annual gathering of the world's top business and political leaders. The WSF responded to Davos by assembling social movements for the purpose not only of denouncing injustices but also building alternatives to a globalisation and financialization of the economy that had led to growing inequalities. In its first year, the WSF attracted tens of thousands of militants from across the planet with the slogan 'Another World is Possible' and facilitated the emergence of an alter-globalisation discourse based on an increasing number of concrete proposals. During this period the Tobin tax, a proposition to tax financial transactions to support development in the Global South, was popularised by the Association for the Taxation of Financial Transactions and for Citizen Action

(ATTAC)⁴¹ and managed to impose itself on the public agenda. It was also in this context that the solidarity economy, strongly supported by the WSF's Brazilian hosts, made its debut on the international scene.

During this same period, in Quebec as around the world, there was a growing awareness of the threats linked to climate change. Starting with the 1992 Earth Summit in Rio de Janeiro, the environment began to play a leading role in public debate. New organisations such as Equiterre came forward, denouncing environmentally-harmful policies and practices and proposing measures to slow down global warming and clean up the environment.

Following the 1995 referendum on Quebec sovereignty, public debate shifted to issues of employment, public finances, growing poverty and the decline of certain regions. Both within the business community and in social and labour movements, workforce training to respond to a constantly changing labour market was an important collective concern. The economic decline of Montreal, in addition to the devitalisation of certain outlying regions forced all of Quebec to rethink its approach to local and regional development.

In response to the high unemployment rate and cutbacks in public spending, social movements organised a series of collective actions. A high point was the 1995 Women's March against poverty and violence against women, which captured the attention and sympathy of a substantial part of Quebec's population. It was a reflection of the increasing concern over the issue of poverty, and specifically poverty among women. In the wake of the Women's March and in light of the unremitting and even accelerating impoverishment of a large percentage of Quebec's population, the Collective for a Law on the Elimination of Poverty⁴² came together in 1998, under the leadership of Vivian Labrie. Thanks to the work of this vast coalition, in 2002 the National Assembly unanimously passed a law to establish the framework for a process culminating in a Quebec without poverty; its goal was for Quebec to join the ranks of the industrialised countries with the lowest level of poverty within ten years.

The mobilisation of the labour movement at this time principally targeted government cutbacks in public services and spending. Despite the protests, Lucien Bouchard's goal of 'zero deficit', set in 1996, was achieved

⁴¹ *Association pour la taxation des transactions financières et pour l'action citoyenne.*

⁴² *Collectif pour une loi sur l'élimination de la pauvreté.*

at the end of 1999. Control of public spending remained entrenched on the agenda of public debate. It had been precisely on this premise – that the government could no longer play the same role in the field of job creation – that Premier Bouchard had convened the 1996 Summit on the Economy and Employment.

Despite this twin crisis in employment and public finances, the Government of Quebec introduced many new social policies whose impact continues today. These include a family policy establishing a universal daycare program costing families \$5 a day; a local development policy; a law on wage parity for women; a policy to support community organisations; a pharmacare program; legislation against poverty and social exclusion; and the lowest university fees in North America.

During this period, Quebec repatriated the entire responsibility for labour force development from the Government of Canada. This led to the establishment of the Labour Force Partnership Commission and a network of local public agencies known as Local Employment Centres.

A short history: a ferment of movement building at the turn of the century

In 1998, the Summit on the Economy and Employment was two years past, and the time for follow-up was coming to a close. Few in number and precarious in status, our working group prepared to close up shop, fully aware that the work had only just begun. In this context, civil society organisations involved in the Chantier urged us to continue. The results to date demonstrated the pertinence of a structure through which people could collaborate and develop the social economy. Yet we also felt that the legitimacy achieved at the Summit had reached its expiry date and our mandate had run out. If the working group was to continue, a collective decision and buy-in from stakeholders were necessary.

Thus began a process to transform this temporary working group into a permanent structure, so long as social economy organisations and their partners committed themselves to the task. This was no trivial matter. How to build a governance structure that truly reflected the reality of the social economy, comprising a diversity of actors for whom the social economy was one component of a broader movement for economic democracy? How to draw lessons from past experience, particularly that of the cooperative movement, to avoid losing sight of the greater vision

of collective enterprise as a tool for social transformation? How to avoid the trap of fixating on business growth and market shares and ignoring the social and ecological impacts of our actions?

Our guide in this strategic reflection was Benoit Lévesque, a sociology professor at UQAM and researcher as well as founder and first director of the Research Centre on Social Innovation and Social Economy (CRI-SES).⁴³ He reminded us that the cooperative and labour movements arose at the same time and both as a reaction to the rise of capitalism. Unions were created to protect workers from exploitation in the workplace, and the cooperative movement to offer workers the means to collectively control the workplace and the means of production. Over the years, the two movements had grown apart and in so doing, their visions and positions on the economic system had also diverged. Itself a child of social movements, the Chantier wanted to avoid a similar destiny.

The solution we identified together was to build the governance of the formal organisation on three pillars: networks of collective enterprises; networks of place-based organisations; and Quebec's major social movements, including the labour movement and the community sector. The presence of place-based actors was intended to root collective entrepreneurship solidly in local communities in the recognition that, to respond effectively to their needs and aspirations, the social economy was key. The presence of social movements was to counteract a narrow or corporatist vision of the social economy or any inclination to favour narrow business interests over and above the common good.

On the basis of this hypothesis, formal consultations commenced to ensure the adherence of a variety of partners and in November 1999, the founding assembly of the new organisation was held. Members adopted an unprecedented governance structure, bringing together a diversity of networks and establishing a balance that affirmed the central role of collective enterprises, the fundamental role of locality and the strategic role of social movements in the building of a movement for economic democracy. Likewise, co-opted positions affirmed the contribution of researchers and other individuals or organisations to the process embodied in what we chose to continue to call the *Chantier de l'économie sociale*.⁴⁴

⁴³ *Centre de recherche sur les innovations sociales.*

⁴⁴ In French, the word 'chantier' is used to describe both a working group and a construction site.

First Elected Board of Directors of the Chantier de l'économie sociale

President:

Nancy Neamtan, Coalition of Community Organisations for Labour Force Development (COCDMO)

Networks of Social Economy Enterprises (6-8 seats)

René Godin: Quebec Network of Homecare Social Economy Enterprises (REESADQ)

Richard Lanciault: Quebec Council of Adapted Companies (CQEA)

Claudette Pitre-Robin: Quebec Inter-Regional Daycare Coalition

André Séguin: Quebec Conference of Forestry Cooperatives

Michel Séguin: Quebec Recycling Centre Network

André Trudel: Quebec Collective of Workforce Integration Enterprises (CEIQ)

Networks of social economy development organisations: (5 seats)

Jacques Beaudet: Quebec City Community Economic Development Corporation (CREECQ)

Hélène Deslauriers: Quebec network of Community Futures Associations (SADC)

Manon Leblanc: National Table of Community Development Corporations (TNCDC)

Yvon Leclerc: Quebec Association of Local Development Centres (ACLQD)

Claude Ouellet: Quebec Worker Cooperative Network (RQCCT)

Regional Social Economy Committees (CRES) (5 seats)

Jean-François Aubin: CRES Mauricie

Thérèse Bellet: CRES Saguenay Lac St Jean

Patrick Duguay: CRES Outaouais

Ginette Massé: CRES Chaudière-Appalaches

Annie Vidal: CRES Island of Montreal

Labour federations (2 seats)

François Lamarche: Confederation of National Trade Unions (CNTU)

Louise Miller: Quebec Federation of Labour (QFL)

Cooperative movements (1 seat)

Luc Labelle: Quebec Federation of Regional Development Cooperatives (FCRDQ)

Quebec Women's Federation (FFQ) (1 seat)

Nathalie Lefebvre: (to be confirmed in June 1999)

Other major social movements: (2 seats)

Karel Ménard: Quebec Network of Ecologist Groups (RQGE)

Sonia Vaillancourt: Quebec Council of Recreation (CQL)

Ex-officio members (2 seats)

Gaetan Beaudet: Sectoral Council on Workforce Development in the Social Economy and Community Sector (CSMO-ESAC)

To gather together such a range of stakeholders while respecting the realities of each was by no means easy. The Chantier described itself from the outset as a 'network of networks'. Rather than concentrate and centralise resources and decision-making, we chose from the start to make subsidiarity the Chantier's operating principle. What could be done locally, regionally or on a sectoral basis should not fall under the Chantier's governance. The Chantier should base its strategic orientations on an analysis of the needs of members, including enterprises, localities and social movements, and constantly adapt them to the evolution of the context and the actions of members and partners. Every two years, these parameters were debated and adopted by the Board of Directors and an action plan with measurable expectations was put into place and monitored by governance structures.

As an organisation whose members came from across Quebec, the Chantier took on mandates that, to succeed, required the aggregation of forces. These mandates evolved over the years, but at first we were among the few to publicly support this new concept of the social economy and respond to its many critics. As the principle spokesperson, at the top of my post-Summit wish list was to identify someone to play this same role in each region of Quebec. To my great disappointment, only one person, Sylvie Tardif from the Mauricie region, expressed interest in playing this role; no one else was up to the challenge. So it was up to me to carry the ball for several years until others came forward. Twenty years on, the situation has transformed completely. A network of regional hubs (representing every region of Quebec), strategic partners and Chantier members play a central role in the promotion of the social economy.

The Founding Principles of the Chantier de l'économie sociale

In 1999, the Chantier de l'économie sociale was incorporated as a non-profit organisation. It was grounded in the following vision, mission and objectives:

The Chantier de l'économie sociale is committed to building a plural economy that produces returns for the community and protects the common good as it relates directly to communities' needs and aspirations.

The mission of the Chantier de l'économie sociale is to promote the social economy as an integral part of Quebec's plural economy and, in doing so, to participate in the democratisation of the economy and emergence of this development model based on the values of solidarity, equity and transparency.

To achieve this mission the Chantier takes on the following objectives:

- Bring together diverse actors and partners of the social economy at the regional level and across Quebec.
- Promote the social economy as a vector for social and economic change.
- Create the conditions and the tools to support the consolidation, experimentation and development of new niches and projects.
- Participate in the construction of alliances with other socio-economic stakeholders and social movements favourable to this development model, including at the international level.

In 2013, framework legislation passed by Quebec's National Assembly recognized the Chantier de l'économie sociale as a 'privileged interlocutor in regard to the social economy'.

The Chantier's team was small initially, and although it grew, we never sought growth for its own sake. To start, the core group was just a handful of people: me, Charles Guindon, Marie Hélène Méthé and Lise Boisvert; Jean Robitaille, Geneviève Huot and several others joined us shortly. Globally, the Chantier's main job was one of promotion, representation, the development of new tools (financial and otherwise) and national and international networking. As diverse sectoral and place-based social economy networks declared their membership in the movement, they assumed more and more roles and responsibilities particularly in the field of promotion and development support. The movement steadily grew more active and with every passing year the Chantier adapted operations

to take into account the increasing capacity of its membership. Our priorities evolved in accordance with the context and needs identified on the ground. But our goal never changed: to ensure that across Quebec, anyone who wanted to address their communities' needs and aspirations by means of collective enterprise would have access to the conditions and tools necessary for success.

New Policies and New Measures: The social economy takes root in diverse sectors and localities

The years following the 1996 Summit were rich in new public policies and programs to support the development of collective entrepreneurship. The policies developed during this period were diverse, and the majority were sector-based. However, one of the most generative of all was a place-based development policy.

Back in 1996, the 'Daring Solidarity' report had stressed how important it was to accompany and support collective enterprises at a local level. While calling for CDECs and other existing organisations to be recognized and strengthened, the report also underlined that *'In communities where no organisation currently carries this responsibility, it is important to ensure that an existing organisation takes it on or that local partners create an entity to do so'*. The report also called for the creation of regional or local funds dedicated partially or entirely to the social economy.

Fortunately, one point of consensus at the 1996 Summit was the necessity to support entrepreneurship at a local level while the regional level served as a place for coordination and harmonisation and as an interface between government and the local and regional stakeholders. Thus, the social economy found itself well-positioned when this very proposition became the basis for the local development policy adopted by the Quebec government in 1997. The Minister for Regional Development, Guy Chevrette and his political aide, Harold Lebel (now member of the National Assembly for Rimouski), gave collective entrepreneurship their unconditional support, and prevailed upon even the most recalcitrant municipalities to do likewise. The adoption of this policy led to the creation of 120 Local Development Centres (CLDs)⁴⁵ across Quebec as well as the creation of Regional Development Councils (CRDs)⁴⁶ in each of

⁴⁵ *Centres locaux de développement.*

⁴⁶ *Conseils régionaux de développement.*

its 17 regions. In Montreal, it was the CDECs that assumed the mandate in their respective districts. Notably, they did this while retaining the resources necessary for their broader approach to local development, especially federal funds they had already been granted.

This local and regional development policy was a major step forward for collective entrepreneurship. Support for the social economy was integral to the mandate of the CLDs, which were allocated funds reserved specifically for collective enterprises.

Creation of the Local Development Centres (CLDs)

In 1997, the Quebec government passed a law creating Local Development Centres in every region of Quebec. Each CLD was led by a Board of Directors made up of actors from the business community, the social economy and civil society organisations, including labour unions and local elected officials. Their mission was, among other things, to offer frontline services to enterprises, principally through financing mechanisms; to draw up a local action plan in regard to employment and the economy; and to establish a strategy for supporting entrepreneurship, including the social economy.

In their first 30 months of operation, these organisations received 1,781 applications for social economy projects, of which 844 received support. Moreover, this data is partial (82 CLDs out of 120 having reported). It illustrates the extent to which local communities were fertile soil for the emergence of collective enterprises. In 1999 alone, CLDs invested almost \$12.4 million in over 500 social economy projects.

Following a revision of local development policy in 2015, approximately half the CLDs disappeared while others became non-profit corporations. These transformations were the result of that year's decision to transfer the responsibility for economic development to cities and regional county municipalities.

The integration of the social economy into the mandates of the CLDs did not receive unanimous support. Many municipalities were used to functioning with industrial commissioners whose principal responsibility was to attract private investment. The imposition of performance requirements in terms of social economy troubled several industrial commissions and elected officials. A governance structure in which civil society organisations, including unions and community groups, held the majority was not welcome in certain regions and local communities. Quebec's Association of Industrial Commissioners was particularly virulent

in its criticism. At the time, I often joked that the CLD model disrupted certain cozy relationships between a promoter, a mayor and an industrial commissioner, accompanied by little brown envelopes. We were years away from the 2011-2012 Charbonneau Commission on municipal corruption, but it is interesting to note that resistance was strongest in some of the municipalities later found to be most tainted by corruption.

Despite this resistance, the CLDs were a source of considerable support and innovation during the rise of the social economy following the 1996 Summit.

In certain cases, collective enterprises were fully recognised and supported. Elsewhere, the 'social' approach to entrepreneurship met with skepticism or even bewilderment. Much energy was expended to support, train, raise awareness and even challenge certain CLD stakeholders to assure adequate support for social economy enterprises. The formation of the Quebec Association of Local Development Centres (ACLDQ)⁴⁷ made the work easier. With the support of the President, Jean Fortin, the Mayor of Baie St-Paul, Yvon Leclerc, author of a well-known 1989 report 'Deux Québec dans un' ('Two Quebecs in One') was appointed the ACLDQ representative and a member of the Board of the Chantier for several years. He played an active role in raising awareness and support among local actors.

The CLDs were also involved in investment through their Local Investment Funds (FLIs).⁴⁸ These funds were in principal open to cooperatives and non-profits. However, access to them was not automatic. Once again, efforts were required to raise awareness of and support from local actors to help them learn how to work with collective projects. RISQ was extremely helpful in this regard; its team became, to a certain extent, a 'go-to' source of knowledge and advice for local actors.

To round out the supports available for place-based development, the funding of a network of regional social economy committees also had been proposed at the 1996 Summit. In fact, prior to that event, entities of a sort had already been created by the Quebec government to engage representatives of the women's movement from each region in the distribution of 'make work' welfare programs to community and women's organisations. The more entrepreneurial vision of the social economy

⁴⁷ *Association des CLD du Québec.*

⁴⁸ *Fonds local d'investissement.*

put forward by the Chantier brought a major overhaul to these entities. They became spaces in which diverse stakeholders could collaborate to promote the social economy and coordinate different actors at the regional level. The dynamism of many of these committees was central to rooting the social economy in place-based development. Where a regional committee was less active, the social economy did not develop at the same pace.

Recognition of Regional Social Economy Hubs

The first regional social economy committees were created in 1995 as a follow-up to the demands of the women's movement. Affiliated with Regional Development Councils (RDCs), these committees were venues for coordinating efforts to promote the social economy. However, their vitality was very uneven and depended on local mobilisation.

In 2004, a new law restructured the ecosystem of place-based development. Cities and Regional County Municipalities (MRCs)⁴⁹ received the mandate to develop the social economy and conferred the responsibility to CLDs. The RDCs were replaced by Regional Conferences of Elected Officials (CRE)⁵⁰ which had no clear mandate to support the social economy. It was in this context that certain regional social economy committees became Social Economy Hubs. Their creation and legal incorporation was a long process. Starting in 2007 they were financed through agreements with the Ministry of Municipal Affaires and Regions (MAMR)⁵¹ and regional partners. Today 22 hubs are distributed as follows:

- One in each of Quebec's 16 administrative regions.
- Three in Montérégie region: Longueuil, Vallée du Haut Saint-Laurent and Montérégie East.
- One hub for the Cree territory, one for Nunavik and another as a coordinating group for the Assembly of First Nations.

Currently, it is the mission of these hubs to promote and support the development of the social economy in their respective regions. They are the points of origin for many initiatives in collaboration, promotion and development. For more details about the social economy in each region, follow the links provided on the following webpage: <https://chantier.qc.ca/decouvrez-leconomie-sociale/poles-deconomie-sociale/>

⁴⁹ *Municipalités régionales de comté.*

⁵⁰ *Conférences régionale des élus.*

⁵¹ *Ministère des Affaires municipales et régionales.*

Investment Quebec Begins to Finance the Social Economy

Investment Quebec (IQ) is a Crown corporation created in 1998 to administer various programs to finance Quebec businesses. Among other entities, it integrated the mandate of the Cooperative Development Agency, created in 1977. IQ created a new subsidiary, the Financière du Québec, to administer one program to encourage collective entrepreneurship with loan guarantees and a second program that offered loans to encourage the capitalisation of social economy enterprises. Thanks to these programs, more than \$30 million was invested in non-profits between 2001 and 2005. IQ continues to finance the social economy directly through a variety of means, including the CAES (a program to encourage the capitalisation of social economy enterprises) and a program to support collective worker buyouts of SMEs.

In April 2015, another reorganisation of the ecosystem for place-based development brought down the curtain on all collaborative structures involving civil society, including CDECs in Montreal and many CLDs. Municipal structures inherited the entire responsibility for economic development. Happily, the Regional Social Economy Hubs were spared. Ultimately, it was the recognition of the social economy as an integral part of Quebec's economy (the first recommendation of the 'Daring Solidarity' report) that enabled the Chantier to access many public programs and initiatives on behalf of collective enterprises. Finally it was our knowledge of what was happening on the ground, communicated through our members and partners, that enabled us to be constantly pro-active in our propositions to the Quebec government.

An example of this occurred in 2001 following the attack on the World Trade Center in New York. Western governments feared the impact of this event on the world's economy. Just as occurred in other countries, the Minister of Finance Pauline Marois brought together the main economic actors to identify measures to avoid a recession. As a recognised interlocutor, we arrived at this gathering with precise proposals, including one from the Chantier's community housing members to accelerate investment in that sector. It was accepted. A few months later, Quebec's 2002-2003 budget allocated almost \$500 million to this purpose.

This same receptiveness to collective entrepreneurship was demonstrated by a decision to make the programs of Investment Quebec (IQ) more widely accessible. Previously, they had been available exclusively to cooperatives. Following the Summit, non-profits could also take advantage of IQ's loan guarantees and loan programs. IQ's 2003-2004 annual report confirms investments in 77 non-profit or cooperative businesses through a 'collective enterprise' program. IQ's investments totaled \$31.9 million in projects valued at a total of \$70.4 million dollars.

Identity and mutual recognition: a major challenge

By definition, the social economy encompasses a wide range of organisations. Yet their consolidation into a movement based on a common identity was a major challenge from the start, and remains so today. Only with great effort could the people working or involved in these organisations come to see themselves all 'under the same tent'. Despite having a strong presence in the daily lives of Quebecers, each collective organisation and enterprise had its own identity: 'credit union', 'community radio', 'recreation centre', 'community daycare' or 'housing cooperative', for example. While all were social economy enterprises, they did not recognise themselves in this terminology that had had popped up on the political landscape. The 1996 Summit demonstrated the power of a common vision, with a variety of networks rallying together to work as one larger unit, and thereby creating opportunities for each of the components to grow stronger. The post-Summit goal was to maintain this convergence of forces in order to ensure that development continued and that the voice of collective enterprises was heard.

Accepting this new common identity was not an automatic process. Many networks saw no advantage in this option or feared losing their own identity. So the creation of the Chantier was itself a big step: a nucleus of networks and social movements from across Quebec demonstrated their readiness to support the social economy and engage in a movement on its behalf.

There to take up the challenge were the Quebec Collective of Workforce Integration Enterprises,⁵² the network of parent-controlled daycare centres,⁵³ community housing networks and many others. The Quebec

⁵² *Collectif des entreprises d'insertion du Québec.*

⁵³ *Regroupement des centres de la petite enfance.*

Council of Recreation (CQL),⁵⁴ comprising hundreds of organisations with deep roots across Quebec, was at the starting line through their representative, Sonia Vaillancourt. (Sonia is still active at the Chantier today). Their identification with the social economy went as far back as the early 1980s, as I learned through a document given to me by the CQL during the preparations for the 1996 Summit. With time, identification with the notion of 'social economy' spread across all sectors, regions and jurisdictions, to establish the movement that enjoys such wide recognition today.

Beginning in 1999, the Chantier set to work, promoting the social economy in Quebec and generating an array of measures in support of collective enterprise. For the Chantier, the next ten years were ones of creative ferment. They saw the formation of RISQ and the CSMO-ESAC, the integration of the social economy into Quebec's new local development policy, the strengthening of sectoral networks, the development of alliances with researchers, the negotiation of public policies and the development of international links. Inseparable from these and other major accomplishments were difficult but enriching debates.

Identity and self-knowledge: that crucial alliance with the research community

Even though the term was not yet in fashion, 'social innovations' dating back to the 1980s had already attracted the attention of a few researchers from a variety of disciplines and institutions. Several, out of personal interest, had begun studying these practices, but quickly became militant proponents of these very processes. With the exception of UQAM, which had a Community Service Bureau,⁵⁵ institutional relations between social movements and universities were weak. With the creation of the Chantier, research partnerships became an important issue. We felt a strong need to formalise the existing links between individual researchers and the social economy, and to create an institutional framework within which researchers and social economy actors could collaborate. On the initiative of UQAM's Benoit Lévesque, we therefore submitted a joint funding proposal to a new federal program in order to establish a formal partnership with the research community.

⁵⁴ *Conseil québécois du loisir.*

⁵⁵ Vincent van Schendel, future director of TIESS, worked there.

Extracts from the Declaration for a Social and Solidarity Economy

About 70 of us had a say in drafting this declaration in support of a social and solidarity economy. We think that it is important to support those who are engaged in initiatives aimed at the collective and general interest. The debate over social economy raises questions about the type of society we wish to build. To this issue there are no ready-made answers, and to rely on past solutions is simply not good enough. Confronting new challenges is a risk we have to take. To this end, we invite all those who wish to contribute to the construction of a social and solidarity economy to enhance and expand upon the parameters briefly outlined below

The goal of this declaration is threefold. First of all, the signatories want to put their support squarely behind the proponents of social economy in their relationship with public officials. Second, they want to make a positive contribution to a debate confined all too often to warning people about the perils of social economy, rather than proposing new perspectives on economic and social development. Lastly, they want to lend their efforts to the formation of a network, or even a coalition of people committed to the promotion of a social and solidarity economy, in support of existing coalitions and institutions.

Thus came into being the first Community-University Research Alliance on the Social Economy (ARUC-ES).⁵⁶ For 10 years, thanks to a program of the Social Sciences and Humanities Research Council of Canada, ARUC brought together networks of social economy and local development actors and researchers (almost 100 in all) to generate pertinent research. Denis Bussi eres was hired by the Chantier to coordinate the initiative. ARUC benefitted from the participation of top-notch researchers who made the decision to invest in the social economy movement. Among them were Margie Mendell (Concordia) who replaced Beno t L evesque as a representative of the research community on the Board of the Chantier; Jean-Marc Fontan, who succeeded Beno t L evesque in the leadership of ARUC; Marie Bouchard (UQAM), Louis Jolin (UQAM), Yvan Comeau (Laval University), Juan Luis Klein (UQAM), Yves Vaillancourt (UQAM) and Pierre Andr e Tremblay from the Universit e de Qu ebec   Chicoutimi (UQAC). The first years were a period of adapta-

⁵⁶ *Alliance de recherche universit es-communaut es en  conomie sociale.*

tion: researchers and practitioners had to learn to work together. Different perceptions based on diverse realities were discussed and compromises were often (but not always) reached. For example, the concept of time was very different. On the ground, there was an urgent need for researchers to answer the questions asked of them – and fast. Realistically, however, well-executed research processes are lengthy, requiring in-depth work over several years. So these disparate needs had to find accommodation by employing diverse means to systematise and share knowledge, from longitudinal studies to seminars, conferences and research snapshots.

The renewal of our ARUC grant enabled us to accelerate the work of the Chantier. Its main goals were central to research priorities: a clearer understanding and articulation of the essential and innovative contribution of the social economy to the smooth functioning of society; its contribution to place-based and sectoral development; and the formulation of instruments, financial and otherwise, that take into account management and operations peculiar to social economy enterprises and organisations. In all, 68 researchers, 110 partner organisations and 95 students were involved in the organisation of 90 activities and projects, the production of 85 research papers and the publication of six books during this second phase.

ARUC's experience also quickly revealed the limits of research partnerships. Other than those who were actively engaged in the research and a relatively small network, very few actors had the time to read research results. The knowledge that was generated, due to its form, the approach taken and sometimes its dense subject matter, was inaccessible to many people. At the same time, the researchers involved received no recognition for this work within their institutions. Margie Mendell, involved in the movement as a researcher as well as a militant, learned this the hard way. Today she is recognised nationally and internationally, the recipient of such highly prestigious awards as the Prix du Québec (Marie-Andrée Bertrand Prize), the Order of Quebec and the Order of Canada. Yet at the time, her professional choices were constantly questioned within her university. That was the risk she took to work closely with CED and social economy actors in a research partnership rather than pursuing a career based on traditional academic criteria.

To respond to these challenges, the Chantier and its research partners advocated on the one hand for Quebec's new science policy to include

recognition of social innovation, and on the other, for wider investment in knowledge transfer. On a stormy winter day in 1998, Benoît Lévesque, Yves Vaillancourt and I drove off to Quebec City to plead our case with Jean Rochon, Minister for Research, Science and Technology. At our insistence, Rochon and his government did indeed agree to integrate social innovation into their new policy in 2001; but not until 2014 did the social economy movement gain access to government support for knowledge transfer based on these innovations.

A time of debate and questioning on all fronts

As enthusiastically as the concept and practices of social economy often were received, they also raised serious questions for many Quebecers. In the first years of the Chantier, one had to be thick-skinned to stay calm while under ‘interrogation’ by a variety of parties. Certain public sector unions bitterly forecast that the social economy would become the ‘Trojan Horse’ of the privatisation of public services. Some community organisations feared that the social economy be utilised to commercialise community action. Some feminist leaders declared that the Chantier’s approach ran counter to a feminist vision of the social economy, to which public investment in social infrastructure was essential. Certain business leaders discerned a potential for ‘unfair’ competition from collective enterprises. Certain leftist intellectual circles claimed that we were right-wingers in disguise. During a televised debate a few months after the Summit, Léopold Lauzon, a professor of accounting at UQAM notorious for his enflamed rhetoric, went so far as to denounce me as a ‘cheerleader for neoliberalism.’

As with most new ideas or approaches, this was to be expected. Debate was essential. The Chantier, through its staff as well as its administrators, invested time and energy clarifying issues and situating our action in a broader context. Through dialogue, we were able to establish enough common ground to calm fears and correct erroneous assertions. The following are some examples of the most important debates.

The social economy and public services

One of the most high-profile propositions at the Summit was the creation of the Financial Exemption Program for Domestic Services (PEFSAD).⁵⁷ It encouraged the development of a network of collective enterprises offering

⁵⁷ *Programme d'exonération financière pour les services d'aide-domestique.*

homecare services, principally to the elderly. Rapidly, local communities across Quebec seized the opportunity to develop these types of services. In less than five years, 101 such enterprises had started up across Quebec and hired 5,000 people, half of whom were former welfare recipients.

Creating a Network of Homecare Social Economy Enterprises (EESAD)⁵⁸

Homecare social economy enterprises offer domestic services to the elderly and low-income households. Historically, the development of these enterprises hinged on the creation of public policy to finance the services they offered.

The Financial Exemption Program for Domestic Services was created in 1997, in the wake of the Summit on Economy and Employment, to address the needs of an aging population. In 2000, a government evaluation identified 103 such companies (58 non-profits and 45 cooperatives) employing 3,800 people. Over 4,000,000 hours of services had been delivered to over 45,000 households. Needless to say, the program was renewed. Today almost 8,000 people work in homecare social economy enterprises.

Labour unions in the health sector reacted vehemently to the PEFSAD proposition, fearing that homecare social economy enterprises would replace public sector jobs with cheap labour. For them, the mandate of these enterprises should in no way encroach on the work done by public health sector workers. But what exactly were the limits of public service in terms of homecare? This was an important debate in the context of an aging population.

Grounds for agreement were reached in the months following the 1996 Summit. With the support of François Lamarche,⁵⁹ we succeeded in finding a consensus with the unions. It took the form of a framework agreement that identified shared responsibilities, while reserving housework to social economy enterprises and personal hygiene to public sector employees. This agreement was respected in many regions, but not everywhere. In certain cases, local unions collaborated fully; elsewhere mistrust ran deep. Meanwhile, these enterprises continued to develop,

⁵⁸ *Entreprises d'économie sociale en aide domestique.*

⁵⁹ Lamarche, a future member of the Chantier's executive committee, had replaced François Aubry in the working group as representative of the CNTU.

and following recent revisions of government policy, most enterprises have expanded their offerings to include personal services, while increasing training for workers.

The commercialisation of community action?

Following the Summit, the majority of community networks expressed strong reservations about being included in a broad definition of the social economy. (In Europe, for example, citizen associations are considered a component of the 'social and solidarity economy'.) Many feared that government would require them to take a mercantile approach and start charging for their services. Despite our attempts at reassurance, the anxiety within the community movement forestalled its adoption of a broad vision of the social economy. Apprehension was particularly strong in regard to the definition of social economy that public and charitable funders would endorse and impose on traditional community organisations. Accordingly, in our discussions with government, the Chantier agreed to limit the definition of the social economy to collective organisations with a market activity. This compromise eased certain fears but one of the negative impacts was the implicit acceptance of a silo approach in government programs. Thus a non-profit organisation offering services to the population was forced to choose between funding from support programs for community groups and support programs for the social economy. Over time, fears have abated and today many community groups carry out social economy initiatives while maintaining non-market activities, enabling them to pursue their missions with diversified means. Unfortunately, the silo approach persists in certain sectors and government programs.

Are cooperatives part of the social economy?

The most unexpected tension of all was that which arose between institutions of the cooperative movement and the Chantier when the latter became a permanent organisation. Ironically, Claude Béland, President of the Desjardins Movement, had been the strongest supporter of the social economy working group in 1996, on both a political and material level. Majella Saint Pierre, Executive Director of the Quebec Cooperative Council,⁶⁰ had been a valuable and active contributor to the preparatory

⁶⁰ *Conseil de la coopération du Québec (CCQ)*. Now known as the Quebec Council of Cooperatives and Mutuals (*Conseil québécois de la coopération et la mutualité - CQCM*).

work for the Summit. Several proposals in the ‘Daring Solidarity’ report had a direct impact on cooperative development, the most significant being the proposal to create a new type of cooperative, the solidarity cooperative.

Creation of a New Juridical Status: the Solidarity Cooperative

In 1997, the passage of an amendment to Quebec’s Cooperatives Act enabled the establishment of solidarity cooperatives. Essentially, the solidarity cooperative is an organisation based on at least two categories of members – ‘workers’ and ‘users’ – with the option to add a third type, known as ‘supporter members’. This legislative change had an important impact on the dynamics of cooperative development and, to a certain degree, gave it a second wind. Nearly 500 solidarity cooperatives were created between 1997 and 2015 whereas among other types of cooperative a certain stagnation in growth was to be observed.

The cooperative movement remained supportive subsequent to the Summit. The Quebec Cooperative Council participated actively as a member of the coordinating committee. However, the moment it was decided that the Chantier should seek legal incorporation and become a permanent structure, there was a dramatic turn of events. From what we could decipher, the move evoked strong and vocal reactions within certain cooperative institutions and sectoral networks. They considered it unacceptable for a second organisation to undertake cooperative development or, even worse, speak on behalf of cooperatives, be they big or small. In addition, certain cooperative movement actors deemed the Chantier ‘too social’ – its inclusion of social movements troubled them. Indeed, the Chantier’s priorities were a far cry from the priorities of major cooperative institutions, which operated at another level and in another environment. The tension was palpable and even went as far as threats to cut funding to cooperatives and cooperative networks that chose to join the Chantier.

It must be underscored that these tensions between the emerging and institutionalised social economy were an international phenomenon. In many countries, including France and Brazil, the emerging social economy movement refused to use the same terminology as the big

cooperatives and mutuals, rallying instead under the banner of ‘solidarity economy’. In international settings, the debate was intense. I was part of a Quebec delegation to a conference in Bologna, Italy on cooperative entrepreneurship in Europe, and watched the issue get taken head on. A spokesperson for a large German cooperative bank declared it was heresy for an institution that prided itself on economic success to associate with social movements in order to develop the social (or solidarity) economy. For an Italian panelist, it was the complete opposite. ‘Cutting ourselves off from social movements is the euthanasia of the cooperative movement’, he declared. The debate continues today, though the antagonism has diminished.

For the Chantier in 1999, a crossroads for a multitude of different actors supportive of the social economy, it was all a complete surprise. Indeed, it was totally incomprehensible.

Our members, be they cooperatives or not, could not imagine that anyone could try to deny cooperatives the right of free association and the opportunity to join a broader movement committed to collective enterprise. In fact, at a local level, collaboration with cooperative actors was quite positive. Despite the pressure, many militants from the cooperative movement⁶¹ continued to participate on the Chantier’s Board of Directors, as did members of several other cooperative networks, including the Quebec Confederation of Housing Cooperatives. Thus, despite rejection by certain cooperative institutions, the Chantier maintained its inclusive vision of the social economy and kept the door wide open to cooperatives, be they members or not. Its practice was to extend full access to social economy tools to any and every collective enterprise regardless of its ‘type’, while maintaining a dialogue with as many cooperators and cooperatives as possible.

Unfortunately, this tension never relented in the two decades following the launch of the Chantier. This notwithstanding the benefits that cooperatives derived from a variety of new policies regarding the social economy negotiated at the Summit and by the Chantier in the years that followed. The only notable exception was a policy that prescribed non-profit legal status for Early Childhood Centres. (Community daycares, the precursors of these centres, had almost all adopted a non-profit

⁶¹ They included Patrick Duguay, director of the Regional Development Cooperative for Outaouais-Laurentides (and later President of the Chantier’s Board of Directors 2004-2018) and Claude Ouellet of the Regional Development Cooperative for the Lower St-Lawrence.

structure. The new policy was based on this model.) In light of this, it is no surprise that the majority of new cooperatives, at that time and since, have taken the form of solidarity cooperatives, solidly rooted in place-based development through the diversity of their membership. And a substantial number of solidarity cooperatives clearly identify with the social economy.

An 'economy for the poor' at the margins of the 'real' economy?

Inspired by a common vision of a more democratic, inclusive and sustainable economy, social economy actors saw no barriers to the development of collective entrepreneurship in every economic sector. However, we found ourselves confronted time and again by a reductive understanding of the social economy, which confined it to the margins of the 'real' economy. For many people then (and today), the social economy was composed exclusively of businesses whose mission was to integrate marginalised individuals into the labour market or to fill gaps in the production of services or goods in response to needs that the private or public sector did not meet. In other words, it was the social economy's function to clean up, without question or complaint, the messes left by a system that was failing substantial parts of the population

This perception of the social economy as an economy for the poor predominated within government at the time of the 1996 Summit. Among the working groups formed to prepare for that event was one on Montreal's economy and another on enterprise development. Their respective presidents, André Bérard and Jean Coutu, were paired with and supported by deputy ministers from economic ministries, whereas I, as president of the social economy working group, was offered the support of the Director of Welfare Programs at the Ministry for Labour Force Development and Welfare. I refused the offer, of course. It was clear that the government understood the social economy to be a sector reserved for welfare recipients. I got involved in PEP in 1984 precisely for the purpose of creating real and sustainable jobs, not 'work for welfare' programs. To acquiesce in this perception of my mandate was out of the question! Luckily, Claude Béland, President of the Desjardins Movement (and appointed to preside at the Summit) offered our working group support. Offices in a Desjardins building in the east end of Montreal and an administrative and communication team were made available to us for

the entire period. Without these resources, we would never have made it to the Summit with such a mobilising and high-quality report. But with them, we were able to ground our work firmly in a wide and diversified vision of the social economy, in which integration of the marginalised was one positive impact, but far from the only one. As our report 'Daring Solidarity' explained:

The social economy includes, as we have said, a wide variety of socio-economic actors. These artisans are dynamic local development agents as well as true collective entrepreneurs, dedicated to the well-being of individuals and communities. This reality is not to be confused with a common misconception that associates the social economy with an economy reserved for the excluded, an 'economy for the poor' dedicated essentially to workforce integration of welfare recipients rather than the development of sustainable jobs and businesses. The working group on the social economy would like to underline the fact that the integration of the unemployed into the labour market and the training that must accompany these processes is not the exclusive responsibility of social economy actors. It is the responsibility of all actors in Quebec society.

Social economy and culture: an implicit if complex alliance

From the movement's earliest days, the role of culture and the relationship between the cultural milieu and the social economy were an issue. Even in the 1980s, the role of artists in the revitalisation of neighbourhoods was a source of tension in certain local processes. On the one hand, quality of life in a community depends on several factors of which one is undoubtedly an access to culture. In that sense, the participation of artists and cultural organisations was welcome. The preservation of the Beaubien Cinema in Rosemount through the support of the Rosemont-Petite-Patrie CDEC, and RESO's support for the renovation of the Corona Theatre by a private initiative are examples of this commitment to the cultural vitality of these neighbourhoods. However, the presence of artists was also a source of worry, because for the most part, their arrival in a neighbourhood signaled a first step in a process of gentrification. New York's Soho district is the classic example. Resolving this tension required an open dialogue and a process of collaboration to ensure that everyone had access to cultural creativity and that the creators them-

selves stood with local people in issues of local concern. Some call this approach ‘cultural democratisation.’

During the run-up to the Summit on the Economy and Employment, the role of culture was not clear. What role could this sector play in a dynamic focused on economic development? For certain prosperous private enterprises in the cultural sector, like Cirque du Soleil, there was no problem. The President of the Banque nationale welcomed the Cirque to his working group, which consisted exclusively of CEOs of major Quebec and Canadian corporations. But what was to be done with the thousands of non-profit cultural organisations whose mission was to create and disseminate all forms of art? Simon Brault, an old personal friend and, at that time, Director of the National Theatre School, contacted me to discuss the potential role for culture in the preparatory work for the Summit. We agreed that it was inconceivable for discussions so momentous for Quebec’s future to occur without culture being positioned front and centre. But how to make this happen within the logic of a summit about the economy and employment and geared towards generating initiatives of scale? It was Simon who came forward with a solution. Inspired by the ‘Heritage Days’ celebrated in Europe, he mobilised cultural networks around an initiative entitled *Journées de la culture* (‘Culture Days’). Introduced in our report ‘Daring Solidarity’, the Culture Days were incubated at the Chantier for several years before flying off under their own power to become a true Quebec institution. Under the leadership of Louise Sicuro and an umbrella organisation known as *Culture pour tous* (‘Culture for all’), they continue to be celebrated every September and have received the official recognition of the Quebec National Assembly.

This alliance with the social economy was not widely accepted within the cultural sector. In many circles, the expression ‘enterprise’, the economic references and the association with the social sector were perceived negatively. Yet we still shared common values and the vision of a society that refused to surrender everything to the imperatives of neo-liberal economics. The fact that the vast majority of cultural organisations were non-profits, and thus fell within a broad definition of the social economy, established another level of convergence.

Ultimately, local communities arrived at an answer to this delicate issue. After a few years, we noted that 20% of the social economy funding available from CLDs had been awarded to cultural initiatives. For

those who questioned the importance of culture in the development of communities, the results were clear. At a practical level, the convergence between the cultural sector and the social economy was inescapable.

Over the years, cultural organisations under collective ownership have made good use of the tools dedicated to the social economy. For example, RISQ has invested in over 100 cultural projects. The Chantier de l'économie sociale Trust⁶² has supported important cultural initiatives, such as the Festival de la Chanson in Petite Vallée (in the Gaspé), the TOHU circus arts complex, the Joliette Museum for the Arts, the Verdun Circus School and the Beaubien Cinema. On different occasions, alliances have been struck between the Chantier and cultural networks as well. The prime example was its participation in *Rendez-vous Montreal Metropole Culturelle*, a major forum on the city's development as a cultural metropolis organised by Culture Montreal⁶³ in 2007.

The relationship between the social economy and culture remains a subject of debate. Some Regional Councils of Culture⁶⁴ have joined their respective regional social economy hub. In 2017, the Montreal Social Economy Hub (CESIM)⁶⁵ co-organised an activity with Culture Montreal under the slogan, 'Discover the social economy as a business model for the cultural sector'. It spotlighted the success of the *Grand Costumier*, a social economy enterprise created to take charge of a costume collection previously maintained by Radio-Canada. Presently, the Regional Councils for Culture Network is a member of the Chantier and occupies a seat on its Board of Directors. And the discussion is still on-going!

Quebec takes its place on the international scene

The recognition accorded to the social economy at the 1996 summit quickly registered in Quebec's international relations. A few months following the event, the prime minister of France and premier of Quebec held their traditional meeting. It was quite a surprise to read in the paper the following day that Lionel Jospin and Lucien Bouchard had agreed that the social economy would be one of the themes of upcoming exchanges between the two countries. I later discovered that it had been Gerald

⁶² Created in 2007. See Chapter 5, p. 106.

⁶³ An organisation representing the cultural sector and its partners in metropolitan Montréal.

⁶⁴ *Conseils régionaux de la culture* (CRCs), a network of organisations dedicated to promoting Quebec's regional cultures.

⁶⁵ *Conseil d'économie sociale de l'Île de Montréal*.

Larose, President of the CNTU and a strong supporter of the social economy, who proposed the idea. Over the next several years we thus found ourselves participants in ongoing exchanges involving the Chantier, the CNTU, researchers and government representatives. France was also in a process of recognizing this approach to development and facing similar challenges, including the reconciliation of the very different realities of the institutionalised social economy (the big cooperatives and mutuals) with those of the emerging solidarity economy (closely associated with social movements and the forces of alter-globalisation). Actors from both spheres participated in the exchanges and the debates were lively! Unfortunately, despite great effort, the participation of the French labour movement remained very modest, as in the case of most of our international exchanges (apart from those with Latin America).

The bilateral exchanges with France rapidly led to other opportunities for international networking. In 2000, the French government had made an audacious move by appointing Guy Hascoët, a Green Party member of the French Parliament, as Secretary of State for the Solidarity Economy. Though he only held the position for two years, Hascoët seized the opportunity offered by France's presidency of the European Commission⁶⁶ in 2002 to convene the first European meeting on the social and solidarity economy. As CEO of the Chantier de l'économie sociale, I was invited to present the Quebec experience during a plenary session. To my great surprise and embarrassment, Mr Hascoët, host of the event, insisted that I also participate in a private meeting of European ministers with a social economy portfolio and, again at his insistence, appear in the official photo. I was afraid that I had made a diplomatic blunder. During the plane ride home, I wrote a report to the Minister of International Affairs to assure her that, in future, the Government of Quebec would be properly represented. At the next European conference in Stockholm in 2002, Pauline Marois, Minister of the Economy, Finance and Research, and Minister responsible for the social economy, was invited to speak on the same platform as the prominent French socialist Michel Rocard and other European dignitaries. Accompanying her were Clement Guimond, Director of the Solidarity Economy Credit Union,⁶⁷ and me. The Quebec model of the social economy had gained recognition in Europe.

⁶⁶ The responsibility rotates between members of the European Union.

⁶⁷ *Caisse d'économie solidaire*.

Quebec was also among a few countries to participate in the first meeting of the OECD Forum on Social Innovation in Washington in 2002. The Quebec delegation had three members: Diane Lemieux, Minister responsible for the social economy, Margie Mendell, researcher at Concordia and ARUC member, and me, CEO of the Chantier.

International networking and the social and solidarity economy

International networking flourished within the North-South dynamics of this same period, and with it the reputation of the 'Quebec model of social economy' continued to spread. Two events brought together social economy actors from all continents. The first was the brainchild of the Peruvian Solidarity Economy Group (GRESPE), which convened the first global meeting on the theme of the social and solidarity economy in Lima, Peru in 1997. Thirty-two countries were represented, illustrating the surge in mobilisation around the social and solidarity economy in the South and in the North. The Quebec delegation proposed that the next meeting be held in Quebec in 2001. The CNTU and the Chantier were two of several organisations and individuals who came together in a coalition called Quebec Solidarity Economy Group (GESQ) to organise the event under the slogan 'Resist and Build'. Four hundred people from 37 countries and all continents attended the event and led to the creation in 2002 of the International Network for the Promotion of the Social Solidarity Economy (RIPESS), which is still active today. In 2005, in Dakar, Senegal, the Third International Meeting of RIPESS brought together 1,200 people, the majority of them from the African continent.

Starting in 2002, World Social Forums became important moments for the international networking of social and solidarity economy actors. In that year, I was invited to participate in a panel organised by the Brazilian network during the World Social Forum in Porto Alegre, Brazil. The theme of the panel was 'The social economy as a form of radicalisation of democracy'. While the vocabulary was very different from the one we used in Quebec, we quickly grasped the similarities between the Brazilian and the Quebec experiences. Five hundred people attended. As a panelist, I was seated beside an elderly man whom I had never met but who repeatedly nodded his head in agreement while I was talking. I learned that it was Paul Singer, a professor from Sao Paulo University, and an international expert on the social economy as well as a founding member of the

Workers Party of Brazil. Following the event, we met for coffee and it was the start of a warm, abiding relationship over many years.

The 2002 World Social Forum was the launch pad for a close collaboration between the Chantier de l'économie sociale and Brazilian actors who had come together to create the Brazilian Solidarity Economy Forum. The election of a Workers' Party government, under the presidency of Luiz Inacio Lula, led to the creation of the Secretariat for the Social Economy⁶⁸ within the Brazilian government. This was an important factor in the rise of the Brazilian solidarity economy movement for several years. Through its support and that of Quebec's Ministry of International Relations, numerous missions took Quebecers to Brazil and Brazilians to Quebec. Despite dramatic disparities in context between Brazil and Quebec (Brazil's population was 180 million at the time), our visions and values had much in common, and the Brazilians chose to deepen bilateral exchanges with us. Our many exchanges led to the publication of 'The Solidarity Imperative: Social and solidarity practices in Brazil and Quebec.' Produced in Portuguese and French, this booklet explored a diversity of experiences in each country to foster mutual learning.

The Parti Québécois government of the time, and particularly the Minister of International Relations, Louise Beaudoin, provided considerable support to the development of Quebec's global presence in the field of the social economy. Following the election of a Liberal Party government in 2003, interest in the international influence of Quebec's social economy movement would diminish. Regardless, the movement continued to have an impact on Quebec's international presence. The social economy was the subject of a rare inter-ministerial meeting when Monique Gagnon-Tremblay, Minister of International Relations, went to Brazil in 2004. A few years later, during a conference in Europe, an elected official from Rio de Janeiro, responsible for the solidarity economy, asked to meet with me and, with great flourish, declared his admiration for the Quebec model of the social economy. He proposed establishing a partnership between the Chantier and his municipality! Although a very flattering proposal, for us such a partnership made no sense. (Rio then had a population of 10 million.) The Government of Quebec was the appropriate level for such a partnership, albeit with support from the

⁶⁸ My friend Paul Singer was made Secretary of State for the Solidarity Economy within that government.

Chantier. As a consequence, Pierre Arcand, Quebec Minister for International Relations, met with the Mayor of Rio de Janeiro during a mission to Brazil to discuss the social and solidarity economy. Luckily, a member of the Chantier's team was there to assist him!

RIPESS

The International Network for the Promotion of the Social and Solidarity Economy was formally established in 2001. It brings together continental networks (Latin America and Caribbean, North America, Europe, Asia and Oceania, Africa) that, in turn, encompass national and sectoral networks, thus ensuring the organisation remains tightly-rooted right where people live. Its principal work is to promote the social and solidarity economy (SSE), to support intercontinental collaboration and to advocate for the SSE at different levels.

A meeting in Lima in 1997 was the first of several international assemblies organised by RIPESS members, followed by Quebec (2001), Dakar (2005), Luxembourg (2009) and Manila (2013). The themes of these events included, among others, food sovereignty, the promotion of public policies in support of the SSE, reaching sustainable development goals through the SSE, the role of women in SSE, ethical finance and inclusive local development.

RIPESS's approach is to work through networks, member inter-cooperation and alliances with other movements that share a transformative vision as well as a commitment to pro-active work in key international spaces.

The World Social Forums in Brazil created venues for meetings and exchanges in the international social and solidarity movement for several years. The Chantier and many other Quebec social economy organisations were active participants. After 2001, Quebec became a reference point, as did Brazil, France and a few other countries, especially because of the strengths of their networks, the innovative tools they created and the public policies they adopted in support of the social and solidarity economy. In the years 2002-2004 alone, the Chantier and other partners participated in missions to or hosted delegations from such countries as France, Argentina, Senegal, the United States, Mexico, India and Japan. Our model was even studied at the European Commission in Brussels during a mission that Margie Mendell and I conducted in 2009.

Issues and lessons

1. Build on multiple dimensions of the social economy: as enterprises, as an approach to development and as a movement for socio-economic transformation

The Chantier's form of governance and its composition were determining factors in its success. By choosing not to base its membership uniquely on enterprises and networks of enterprises, the Chantier's founders sought to reflect the multiple dimensions of the social economy, and primarily, the profound motivation of those involved in this movement. This choice was fundamental to the Chantier's capacity for innovation, action and mobilisation.

It is often said that social economy enterprises, like all social innovations, stem not only from people's needs but from their aspirations as well. To quote Benoit Lévesque, world-renowned expert on social innovation and social transformation, 'Social innovations often emerge in contexts of crisis and open new avenues to solve social problems. They respond to needs, but even more, to aspirations. Take daycare services as an example. There was certainly a need, but also a desire for women's emancipation, children's socialisation and social integration of underprivileged families.'

One crucial discovery in the building of a social economy movement, whose fundamentals transcended the mere creation of collective enterprises, was the need to constantly make the link between the day-to-day issues of development and a long-term vision of economic democratisation and social transformation. The practical application of the old slogan 'Think globally, act locally' enabled the mobilisation of individuals, organisations and movements that otherwise would never have seen themselves as entrepreneurs or as participants in economic development.

2. The important role of social movements

From the start, the presence of social movements – labour, community, feminist, environmental – was a key success factor in building the social economy movement. This approach, rooted in the very governance structures of our networks, was essential to the 'Quebec model' of the social economy.

There were many reasons for this choice. Firstly, the presence of social movements was a reflection of the desire to channel this surge in collec-

tive entrepreneurship into a broad vision, as explained earlier. Secondly, social movements were strategic sources of new entrepreneurial projects and new collective entrepreneurs who understood the potential of the social economy as a response to the challenges posed by diverse social struggles. Be it the role of the women's movement in the emergence of the Association of Early Childhood Centres,⁶⁹ the role of the labour movement in social finance or the community movement's presence in various sectors, including housing, personal services or community real estate, social movements were the source of a major proportion of the social economy initiatives during this period.

Finally, the presence of social movements within the Chantier's structures and elsewhere in the ecosystem of support allowed us to avoid, at least in part, the ever-present trap of corporatism and a rigid allegiance to collective enterprises, no matter what their relationship with the rest of society. The presence of social movements was a constant reminder of the importance of coherence in the values, vision and practices of our enterprises. Be it the quality of working conditions, the recognition of the central role for public services, the role for women or the social and ecological impact of economic activity, the presence of representatives of social movements maintained pressure on social economy actors to take these dimensions into account and to constantly improve practices.

3. The need to respect and recognise the reality of every place and jurisdiction within Quebec's territory

Every nation-wide organisation is faced with the same challenge of respecting the contribution of each region and all communities, no matter where they are, be their location metropolitan, rural or remote. The tension between Montreal, Quebec and other regions are often present in discussions on the sharing of resources as well as in the deployment of major national initiatives. The social economy movement was not exempt from these tensions but fortunately we were able to organise ourselves to reduce them to a minimum. The key to this was the recognition of regional structures as partners and not branch offices of the Chantier and an insistence on the greatest possible flexibility in the use of tools or the deployment of sectoral or other strategies. The results were encouraging;

⁶⁹ Association Québécoise des Centres de la Petite Enfance (AQCPÉ).

Definition of the Social Economy

“Social economy” means all the economic activities with a social purpose carried out by enterprises whose activities consist, in particular, in the sale or exchange of goods or services, and which are operated in accordance with the following principles:

1. the purpose of the enterprise is to meet the needs of its members or the community;
2. the enterprise is not under the decision-making authority of one or more public bodies within the meaning of the Act respecting Access to documents held by public bodies and the Protection of personal information (chapter A-2.1);
3. the rules applicable to the enterprise provide for democratic governance by its members;
4. the enterprise aspires to economic viability;
5. the rules applicable to the enterprise prohibit the distribution of surplus earnings generated by its activities or provide that surplus earnings be distributed among its members in proportion to the transactions each of the members has carried out with the enterprise; and
6. the rules applicable to a legal person operating the enterprise provide that in the event of its dissolution, the enterprise’s remaining assets must devolve to another legal person sharing similar objectives.

Source: Québec Official Publisher, October 15, 2022, p. 2. <https://www.legisquebec.gouv.qc.ca/en/pdf/cs/E-1.1.1.pdf>

the growth of the social economy took place in a diversity of ways in the past two decades but has had an impact on Quebec’s territory as a whole.

4. The strategic role of alliances with researchers and universities

The rise of the social economy during this period was characterised by many social innovations. They arose not from scientific research, as is the case in technological innovation, but rather from a process of trial and error on the ground. The impact of this new knowledge, however, was limited, for at first blush each experience seemed unique. The partnership we built with researchers, first at an individual level and then through ARUC-SE, was essential in the construction of the social economy movement. Firstly, the systematisation and analysis of practice

enabled actors to better understand the factors behind the success and failure of their own initiatives as well as to demonstrate the pertinence of their action to government. Secondly, researchers opened the door to learning and networking at an international level. This became an important source of inspiration for new practices and innovations in Quebec. The quantity and quality of research allowed the social economy to become a field of study within both social science and management faculties. This breakthrough in university curricula was the source of a new wave of innovation and a rejuvenation of the social economy movement that continues today.

Finally, ARUC-ES was a powerful means of training and capacity building within the movement. The proximity and complicity of certain researchers gave us access to made-to-measure analyses and information that were fully accessible to social economy networks. However, an important weakness was the absence of adequate means to transmit and transfer this acquired knowledge to a broader base. It was only in 2013 that the movement was able to equip itself with a centre for liaison and knowledge transfer: *Innovative Territories in Social and Solidarity Economy (TIESS)*.⁷⁰

5. Making room for difficult but essential debates

The building of the social economy movement was the result of animated and often difficult debates. We had rapidly understood that there was no economy to be had in avoiding these debates; we made the time and invested the necessary resources to clarify issues, to allow the expression of different viewpoints in search of a consensus or the acceptance of different opinions. Through our governance structures, but also through specific moments of reflection and through public debate, a wide range of people and organisations were involved in these exchanges. The themes for these debates were diverse and included the very definition of the social economy, the role of each of its components, the relationship between the public, private and collective sectors and many others. Confronted with expressed fears, incomprehension and even open opposition, the Chantier never avoided open and honest debate, even though it did not always produce conclusive results. On the political level, the Chantier refused partisan debates and positions; on the social front, it

⁷⁰ *Territoires innovants en économie sociale et solidaire.*

multiplied its efforts to find grounds for agreement with partners from the various social movements. On the territorial level, it tackled head-on the issues related to the urban-rural divide. Certain issues were, however, less visible and less debated, including the questions of diversity and the role of women. It was only a few years later that these questions were vigorously put back on the table and dealt with. If these many debates had not taken place, and despite the difficulties they imposed, the movement could not have advanced. These exchanges allowed us to clarify and nuance our positions and to build our alliances on solid and tested grounds.

Social Innovation

A social innovation is a new idea, approach or intervention, a new service, a new product, a new law, or a new type of organisation that responds more appropriately and more sustainably than existing solutions to a well-defined social need. It is a solution that has been adopted by an institution, organisation or community and generates a measurable benefit for that body, rather than merely for certain individuals. A social innovation is transformative and systemic in scope. In its inherent creativity, it constitutes a break from the status quo.

A Deeply-rooted Social Movement Stands Fast in Stormy Times

A little context

In Quebec, the years 2003-2006 were characterized by changes in government at the federal and provincial levels. In Ottawa, a Conservative government led by Stephen Harper took power in 2006 and governed on the basis of a very conservative perspective that disregarded progress on the social front. The social economy, which had tasted recognition under Paul Martin, disappeared from the federal agenda for the whole of Harper's stay in power.

In Quebec, in 2003 the Liberal party led by Jean Charest was elected on a platform of economic development, tax reductions and controls on spending. The role of the Quebec state and collective action by citizens once again came into question and the role of civil society organisations in partnership structures was dramatically curtailed. This course of action was a threat to the many recent gains made by the social economy, and particularly to the ecosystem that supported its development on the local and regional levels.

In 2008, a financial crisis shook countries around the world, including Canada, and forced governments to take measures to support the Quebec and Canadian economies. While public investments were ushered in to avoid a recession, they were highly conventional in nature: spending on public infrastructure, support for industries in difficulty and investment in labour force training were the key components.

Due to its scope and origins in a dysfunctional international financial system and a virtual absence of regulation, the financial crisis provoked protests and a rising awareness of the negative effects of globalisation and the financialization of the international economy. International bodies called for a more rigorous regulatory environment, though Canada was

less affected by these measures due to the relative soundness of its banking system.

During this same period, social inequalities continued to grow, as did the profits and liquid assets of big business. But this recovery had little impact on job creation and many OECD countries, particularly in Europe, were confronted with high levels of unemployment, especially among youth. In 2011, the Occupy Movement arose in response to the incapacity of elites to solve these structural problems of capitalism. The protesters' first target was Wall Street but the movement quickly spread to other major cities around the world.

Dissatisfaction was not confined to the left of the political spectrum. On the contrary, in the years that followed, Western countries experienced a rise of right-wing forces, the best example being the National Front, led by Jean-Marie Le Pen. He managed to become a candidate in the run-off for the French presidency in 2002, as did his daughter Marine Le Pen in 2017.

A short history (continued)

A demanding but successful period of transition

From 1996-2003, important advances in the recognition of the social economy had been made, both in terms of sector and locality, with the support of the Parti Québécois government. The active participation of social economy actors as full partners in social dialogue and in coordinating bodies enabled the embedding of collective entrepreneurship at several levels.

The arrival of a new government in Quebec City in 2003, with different priorities and a different vision, was a first test of the strength and the depth of this emerging movement and its recognition within Quebec society. It was, to a degree, a moment of truth for the social economy; fortunately, we passed the test!

The transition to new political interlocutors entailed a sizable promotional effort on our part, especially to demonstrate the potential of the social economy and how much popular support it enjoyed. Consequently, in 2004 the Chantier prioritised its promotional work and invested a significant portion of its limited resources in a public poster campaign. Its slogan, 'Values Added', by underscoring such social econ-

omy values as democracy, inclusion and solidarity, sought to distinguish collective enterprises from traditional ones, which focused on the creation of added *monetary* value. Although the impact on the general public was modest, this first widespread promotional initiative became a tool of mobilisation and self-identification among the diverse components of the social economy and helped consolidate many advances in public policy.

Despite these efforts, the social economy experienced several setbacks in 2004. Most important was the move to undermine the role of civil society in local and regional development. The Quebec government chose to return total control of local and regional development structures to municipal elected officials, a modification that transformed the dynamics of place-based development. Happily, through a last-minute plea to the Minister responsible for Economic Development, Michel Audet, the Chantier de l'économie sociale managed to retain a seat for a representative of the social economy on CLD Boards of Directors, as did the private sector, whereas the labour and community movements were ousted. It was clear that we had to reposition the social economy with regard to the new Liberal government, in whose eyes it was 'suspect', having enjoyed such rapid growth under the Parti Québécois. Utilizing its member networks and, above all, its roots in Quebec's neighbourhoods, towns and regions, the Chantier by a variety of means undertook to gain the new government's recognition of the social economy.

One year after the election, Jean Robitaille (the Chantier's Director of Communications) and I were part of a small delegation that finally was able to meet with Premier Jean Charest, who informed us that our 'purgatory' was over. The new government had begun to recognise the potential of collective entrepreneurship to take on important societal challenges, such as an aging population, social inclusion and the revitalisation of rural communities.

This recognition was facilitated by an unexpected boost from the Canadian government.

The Government of Canada stirs (briefly) from its slumber

The recognition of the social economy was an exclusively Quebec phenomenon during the years following the 1996 Summit. Despite certain political and administrative exchanges, the federal government of Jean

Chrétien showed no interest in the subject, with the exception of a few politicians from Quebec, like Paul Martin. With his encouragement, we had tried by different means to promote our cause in Ottawa, including several meetings with the Prime Minister's Office. But Mr Martin's support for this entrepreneurial movement produced no results until he himself became Prime Minister. Once he was officially in charge, he made a firm commitment to act rapidly and called on the Chantier and its Canadian partner, CCEDNet,⁷¹ to propose avenues for a federal intervention.

Despite the ongoing turbulence of the 'Sponsorship Scandal',⁷² the Prime Minister kept his word. He even took the time to visit the Chantier's offices and meet with its Board of Directors. The Throne Speech on October 5, 2004 reads:

What makes our communities strong is the willingness of men and women from all walks of life to take responsibility for their future and for one another. We can see this in the number of voluntary organisations and social economy enterprises that are finding local solutions to local problems. The Government is determined to foster the social economy – the myriad not-for-profit activities and enterprises that harness civic and entrepreneurial energies for community benefit right across Canada. The Government will help to create the conditions for their success, including the business environment within which they work.

The 2004 federal budget introduced a federal initiative on the social economy. A total of \$132 million was allocated to four policy measures: capacity building (\$17 million); social finance (\$100 million); support for a network of community-university research alliances through the Social Sciences and Humanities Research Council; and opening up SME programs to collective enterprises. The implementation of this initiative was cut short by the election of Stephen Harper's Conservatives in 2006; they quickly put an end to federal support for the social economy. While this eliminated funds for the social economy and social finance in the rest of Canada, in Quebec, the staff of the minister responsible for the dossier

⁷¹ See Chapter 2, p. 44.

⁷² It revealed how public funds were used without adequate controls and evaluation to finance public relations in favour of 'Canadian unity' prior to the 1995 sovereignty referendum in Quebec.

called me to say that they would not touch the funds Quebec had already been allocated, given the political importance of the file. As a result, several programs could be rolled out, including the one concerning capacity building and the federal contribution to the Chantier de l'économie sociale Trust in 2007. The only measure that saw implementation across Canada was the funding, in each region, of a community-university research alliance on the theme of social economy. A pan-Canadian network, based in Victoria, British Columbia, provided coordination across the country. In Quebec, the Quebec Network of Research Partnerships on the Social Economy (RQRP-ES)⁷³ enriched the work of ARUC-ES by reinforcing its regional dimension. Work on themes as diverse as social finance, personal services, community housing, territorial governance and unionisation within the social economy were the basis for the publication of 85 research booklets and several books, as well as many seminars, conferences and training sessions during this second phase of ARUC-ES.

A summit of our own attests to our strength

Following the change of government, the transition toward new ways of organising economic development in Quebec highlighted the need to consolidate the movement's progress towards more inclusive and democratic economic development. The Chantier's Board of Directors thus decided to organise a 'Social Economy Season', culminating with a Summit of the Social and Solidarity Economy, in recognition of the tenth anniversary of the 1996 Summit. It was a risky move. Ten years prior, the social economy had been present, but stood on the margins when the Summit 'really got down to business'. Had the social economy now reached the stage at which it could successfully organise its own Summit?

In fact, the Season and the Summit surpassed all our expectations. In celebration of the Season, events were organised in every region. The Summit took a year of preparation, with a wide range of partners engaged in working committees around the following themes: entrepreneurship and solidarity; working in solidarity; investing in solidarity; solidarity and place-based development; responsible consumerism, and the role of solidarity in globalisation. These committees drew up action proposals for presentation, debate and adoption at the Summit.

⁷³ Réseau québécois de recherche partenariale en économie sociale.

Thus, in November 2006, 700 delegates representing all the regions, sectors, networks and movements involved in Quebec's social economy met in the east end of Montreal to adopt a series of priorities for action and to commit, each in turn, to work on their implementation. These proposals led to the adoption by the Quebec government of a social economy action plan the following year. The Quebec Cooperative Council participated fully in the event and, for the first time, publicly expressed a will to work in closer harmony with the Chantier. Although a Quebec event, the Summit's importance was signaled by a strong international presence: observers from 21 countries attended! In fact, one of the most appreciated speakers was Daniel Tygel, representing the Brazilian Solidarity Economy Forum. The assembly erupted when he declared, 'Anybody can hear a tree fall, but did you ever hear a forest grow? Well, here's one growing right now!'

The 2006 Summit marked a significant milestone in the recognition of the social economy as a truly citizen-based movement and the Chantier as an indispensable actor in Quebec's economic and regional development. The diversity and representativeness of Summit participants made manifest its deep roots in Quebec's neighbourhoods, towns and regions and its capacity for mobilisation. Representatives of every Quebec political party took the floor, including Premier Charest and Raymond Bachand, Minister for Economic Development, Innovation and Export Trade (MEIE).⁷⁴ He affirmed this recognition, saying, 'You are on a roll. You generate prosperity and are a real asset to communities'.

What's more, the exchanges that occurred in the course of the Summit were later broadcast in the publication, 'The Solidarity Imperative: Social innovation as a cornerstone of Quebec's economy'. The strategic orientations adopted by the delegates served as a framework for the Chantier's work in the years to come. In fact, those years were marked by five major achievements: deeper local roots, financial innovation, greater market access, international networking and investment in the next generation.

Growing the grassroots, differently

Without exception, the social economy initiatives devised and developed in Quebec originated in the needs and aspirations of local communities. Accordingly, one major concern for social economy actors in the process

⁷⁴ *Le Ministère de l'Économie, de l'Innovation et des Exportations.*

of consolidating and developing enterprises was their grassroots connection. A second was to take action within the framework of a sector. However, the advent of a new government focused on more traditional development approaches limited opportunities for new sectoral policies or strategies. For this reason, beginning in 2003, the priorities of the Chantier and the movement shifted from a sectoral approach to increasing investment in growing the grassroots across regions and localities.

The Liberal government's reorganisation of place-based development structures in 2004 was an auspicious moment to clarify and consolidate the regional presence of the social economy, and on a more autonomous basis. The existing regional social economy committees became Social Economy Hubs (*pôles*) and their funding was consolidated through the signing of 'special agreements' between the hubs, the regions and the Chantier. In keeping with our commitment to avoid hierarchical relationships, these agreements were designed to reflect new relationships between regional actors and national structures. The hubs, present to a greater or lesser degree in every region of Quebec, became both members and partners of the Chantier. The agreements, which made increased funding accessible to the hubs, were based on reciprocity; each party committed to informing, consulting and working with the others without any one being subordinate to another. The Chantier committed to convene all the hubs at least three times annually and to constitute an electoral college with five reserved seats at the Chantier's Board of Directors.

The decision to conduct its relationships with the regions differently was made plain at the time of the 2007 Quebec budget. After having been 'seduced' (in her own words) by the Chantier's entrepreneurial approach, Monique Jérôme Forget, the Minister of Finance, wanted to show her support by (to our great surprise) increasing its public funding. Normally, this would have been well received, but given the absence of funding for the Regional Hubs, it provoked a very different reaction from me during closed budgetary proceedings. To us, the consolidation of a national organisation without reinforcing the regions was a poisoned chalice, no matter how good the Minister's intentions. My reaction was so strong that a panicked call went out to the Minister of Finance and the Minister of Regional Development, Nathalie Normandeau, to intervene. By the end of the proceedings, \$1 million had been found to support the Regional Hubs.

How to manage this budget was another subject of discussion with the government. The initial proposition was for the Chantier to handle it. We refused. How could we be a funder for our own members without limiting, sooner or later, their capacity to speak freely and democratically within the organisation? The Chantier took a different route, signing tripartite agreements with the regional entities and the Hubs.

The partnership agreements signed by the Chantier and the Regional Hubs allowed the social economy movement to deepen its roots, to expand its outreach and its capacity for action. Despite this, the predominant role played by elected municipal officials in place-based development put the spotlight on the need to reinforce our links with municipalities. In addition to its ongoing collaboration with the ACLDQ, the Chantier began discussions with the Quebec Union of Municipalities (UMQ)⁷⁵ and the Quebec Federation of Municipalities (FQM)⁷⁶ to raise awareness among municipal officials of the importance of the social economy for the welfare and prosperity of their communities. This process met with limited success. In certain municipalities, local elected officials were delighted to receive the contribution of collective enterprises to local development. In other cases, a traditional vision of development dominated and the opportunities for the social economy remained scarce.

In our work with municipalities, the most significant step forward was the signature of a partnership agreement with the City of Montreal and the Mayor, Gerald Tremblay. Rather than the Montreal administration announcing a policy of its own making, the choice was made to sign an agreement for collaboration, recognising both the contribution of the social economy to the development of the city and the contribution of the city to the development of the social economy. Diverse organisations signed the partnership, including the Chantier, the CESIM, the network of community economic development corporations, the Regional Development Cooperative (Montreal-Laval), the Angus Development Corporation and the TOHU (the last two being major social economy initiatives in Montréal). Here is an extract:

The partnership is considered an agreement between the city and players in the social economy, by means of which each of the parties agrees to carry out actions in the city's different spheres of activity, in particular

⁷⁵ *Union des municipalités du Québec.*

⁷⁶ *Fédération québécoise des municipalités.*

sustainable development, cultural development, housing and property development, recreation and tourism. The city is suggesting to players in the Montréal social economy that they work with the municipal administration in a partnership based on the acknowledgement of shared responsibilities, in implementing a long-term action plan. The partnership has three goals: 1) To formally acknowledge the contribution made by the social economy to Montréal's development; 2) To support the social economy by building on past achievements, strengthening existing means and developing new approaches that will allow it to flourish; 3) To consolidate and increase the contribution by players in the social economy to sustainable development in greater Montréal, by fostering and creating community-based enterprises meeting its citizens' needs.⁷⁷

The importance of embedding action locally also brought about a change in the Quebec ministry responsible for the social economy. The MEIE showed little interest or understanding of its realities. The Chantier thus requested a change and, at the 2006 Summit, the Premier announced the transfer of political and administrative responsibility for the social economy to the Ministry for Municipal Affairs and Occupation of Territory (MAMROT),⁷⁸ which was in charge of regional development. This was an encouraging move for us, because it took into account the diverse positive impacts of the social economy on local and regional development. In contrast to the MEIE, the MAMROT's approach left plenty of room for collective initiatives for which the main objective was not to increase sales and exports but to respond to the needs of communities. It was a period of great collegiality with those responsible for regional and local development within the Ministry, notably Robert Sauvé, the Assistant Deputy Minister and Jean-Paul Beaulieu, Deputy Minister. In 2008 the Quebec government introduced an Action Plan for Collective Entrepreneurship (PAGEC)⁷⁹ under the title, 'Social Economy: Making Communities More Inclusive.' Intended as a response to the 2006 Summit, it presented a series of measures, sectoral and place-based, to support the development of the social economy and established an inter-ministerial committee to monitor the follow-up.

⁷⁷ *A Social Economy Partnership for Community-Based Sustainable Development* (Ville de Montréal, 2009), p. 4.

⁷⁸ *Le Ministère des Affaires municipales, des Régions et de l'Occupation du territoire.*

⁷⁹ *Plan d'action gouvernemental en entrepreneuriat collectif.*

Quebec's Social Economy Action Plans

Beginning in 1996, the Quebec government made several investments in the social economy, primarily on a sectoral basis. These sectoral measures continued and, in 2003, the government announced in its budget a vast action plan for the development of social economy enterprises with investments of \$20 million over three years. However, the Parti Québécois lost power to the Liberal Party in April 2004 and the project was abandoned. In 2007, responsibility for the social economy was transferred to the MAMROT, and in November 2008 the government announced PAGEC, an Action Plan for Collective Entrepreneurship.

This first five-year Action Plan bundled together several measures of value to the sector. It maintained the current sectoral funding, and in addition, formalised annual funding of the Chantier and the Regional Hubs across Quebec via the 'special agreement' mechanism. It introduced the Social Economy Initiative Fund (FIES)⁸⁰ with \$100,000 to finance studies and research in the sector, as well as several measures targeting First Nations, immigrants and cultural enterprises.

Following the adoption of framework legislation in 2013 (see p. 122), the Government Action Plan on the Social Economy (PAGES)⁸¹ was announced in May 2015. In effect until 2020, PAGES addresses several of the sector's long-term priorities:

- Increased funding for enterprises through various means – the PIEC infrastructure program, investments in RISQ and the Chantier de l'économie sociale Trust, support for regional development cooperatives (CDRs) and creation of a new fund to capitalise social economy enterprises.
- Commitment to stimulate procurement from social economy enterprise, an initiative called 'Économie sociale, j'achète!' ('Social Economy – I'll Buy That!').
- An investment of \$750,000 over three years in the creation of a sectoral cluster for the development and consolidation of services offered by social economy enterprises to address the needs of the elderly or those with diminished autonomy.
- An investment of \$750,000 over three years in the creation of a sectoral cluster to increase the role of social economy enterprises in the socio-professional integration of individuals experiencing social exclusion.
- Initiatives that promote collective entrepreneurship as a solution for business succession.
- Production of an official statistical portrait of the social economy.

⁸⁰ *Fonds d'initiatives en économie sociale.*

⁸¹ *Plan d'action gouvernemental en économie sociale.*

Creation of the Collective Enterprise Infrastructure Program (PIEC)⁸²

The eligibility of collective projects for investment under public infrastructure programs has long been demanded by social economy actors. In 2002, an initial gesture in this direction was announced for the recreo-tourism sector. In 2011, the government Action Plan for Collective Entrepreneurship was enriched with the creation of PIEC. The program was very popular and has been renewed several times. It offers financing for the construction, renovation or acquisition of commercial and industrial buildings that enable the development of social economy enterprises or the enhancement of their services. Between 2016 and 2018, the leverage effect of this program (meaning, the ratio of PIEC funding to funding from other sources) was 1:5.

The importance of the Regional Hubs to place-based development having been formally recognized, the implementation of the PAGEC saw them turn into centres of collaboration, promotion and support for development, generating all manner of initiatives adapted to local realities. The Hubs engineered a wide variety of promotional activities, such as the Social Economy Week, training, networking, information and the production of regional portraits of the social economy. They were and remain close partners of local entities (CLDs and municipalities) as well as national ones, including CSMO-ESACs, the ARUCs, TIESS and the Chantier de l'économie sociale Trust. The hub network was and continues to be a force indispensable to the development of the social economy in Quebec.

Social finance: for whom and by whom?

One of the Chantier's key roles has been to ensure that the tools necessary for collective entrepreneurship are accessible across Quebec to any and all who choose that path. Given that, solidarity financing has been a constant priority. RISQ played a central role in opening the doors of many collective enterprises to private investment, but the loans available to them took the form of debt financing and not equity, on which they could build. We grew more and more aware of the urgent need for capital injection of a sort that would support enterprise growth over a longer

⁸² *Programme d'immobilisation en entrepreneuriat collectif.*

period. For that to happen, we had to think outside the box. And from that process emerged the idea of ‘patient capital’.

The creation of the Chantier de l'économie sociale Trust in 2007 represented an important innovation in this respect. It was the result of a long process that disrupted received wisdom and faced dogged resistance, even in circles close to the social economy movement.

Creation of the Chantier de l'économie sociale Trust

The Chantier de l'économie sociale Trust is a patient capital fund whose goal is to support the start-up and expansion of collective enterprises and to support their investments in real estate and operating capital.

Since its launch in 2006, it has authorised over \$62 million in investments in 189 businesses (236 projects) in every region of Quebec. The Trust estimates that these investments have generated a total of \$411 million in investments, enabling the creation and consolidation of over 3,300 jobs and 759 apprenticeship positions for purposes of workforce integration. The Trust's 15-year term financial product fulfilled an essential need of social economy enterprises that applied a long-term perspective to their development.

For social enterprises, as with enterprises of every type, access to capital is the crux of the matter. The Trust arose in response to that issue. In the early 2000s, there was a clear lack of financial tools adapted to the realities of cooperatives and non-profits. Only loans were available for their development. The financial burden was heavy, for all funds invested became a debt to be rapidly reimbursed. This was in sharp contrast with the access of traditional SMEs to a variety of options and, above all, their capacity to sell shares to investors to assemble the equity necessary for development. Deprived of access to this type of investment, every growing collective enterprise would hit a glass ceiling. A solution had to be found!

Thus, the Chantier took up the challenge of creating a financial tool at the service and under the control of the social economy movement, in breach, ideologically and practically, with the traditions of the financial sector. Rather than starting from the point of view of investors, the Chantier's process was based on an analysis of the needs of businesses. The idea was to create a ‘patient capital’ tool that would serve as a form

of venture capital for social economy enterprises. Many thought we were crazy! After all, venture capital is by definition ‘impatient’ ... to maximise the investor’s return on investment! Moreover, since a founding principle of social economy enterprise is the primacy of people over capital, no investment could award the investor direct or indirect control over the enterprise. There had to be room for democratic management!

It was the federal social economy initiative that created a window of opportunity for innovation in the financial sector. The 2004 budget allocated \$28 million to investment in the social economy. In that wake of that announcement, Canadian Economic Development (the federal regional development office for Quebec) issued a call for proposals as to how that money should be used. With the expertise of Jacques Charest⁸³ and Charles Guindon, a member of the Chantier’s team at the time, the Chantier allied with two labour pension funds, the Quebec Solidarity Fund⁸⁴ and Fondation,⁸⁵ to propose the creation of a new patient capital tool. The proposal was based on a vast inquiry into the needs of each region of Quebec. Support letters were solicited from regional and sectoral actors. Our proposal was as original as it was robust, and we won! The Trust was created in 2007. Certainly, the experience of RISQ since 1997 also worked in our favour: it validated the hypothesis that investment in collective enterprise was responsible as well as low-risk. On his own initiative, the Minister of Industry and Commerce, Michel Audet, offered to assist with the financial packaging and, through Investment Québec, the Quebec government invested \$10 million, bringing the fund to a total of \$52.8 million.

The path to success had been difficult, marked by acrimonious debates within the social finance sector itself. The Desjardins Movement refused to invest in the fund, then intervened through the Quebec government to demand a seat at the table as representative of the cooperative movement. Private investors turned Desjardins down. The CQCM subsequently contested the authority of the Chantier to create such a tool and demanded a seat on the Board of Trustees. We accepted this request while insisting that their representative be part of a network of cooperatives that could benefit from this new financial product. Thus, for several

⁸³ Current director of the Chantier de l’économie sociale trust.

⁸⁴ See Chapter 1, p. 10.

⁸⁵ Fund of the Confederation of National Trade Unions.

years, the cooperative movement was represented first by someone from the School Cooperative Federation and then by someone from the Federation of Funeral Cooperatives.

To our great surprise, certain other social finance actors opposed the Trust's rather original form of governance. The Chantier's Board of Directors held veto power over any change to investment policy and over the choice of a fund manager. The intent was to keep the Trust's actors and users in control of its overall strategic orientation, while ensuring objective and rigorous analysis of investment decisions. The debate even surfaced in a daily newspaper, with personal attacks against me and the Chantier's Board of Directors. Why such an outcry? Simply because we had created a precedent that threw a spotlight on how inadequately existing financial institutions had responded to the needs of social economy enterprises. And above all, we were challenging the control of the financial sector over the development of enterprises, be they collective or not.

The storm provoked by the creation of the Trust was rich in lessons for social economy actors. It demonstrated how far we still had to go if Quebec's economy was to develop on the basis of another logic, that of economic democracy. Today the Trust is not only recognised for its efficacy and pertinence; it has also informed the creation of other tools. Patient capital is now an integral part of the social finance vocabulary in Quebec and elsewhere.

Responsible consumption: 'Social Economy – I'll Buy That!'

In addition to making capital accessible to collective enterprise, there was a push in the early 2000s to strengthen the purchasing power and commercial relationships between collective enterprises, as well as their access to markets. During the Summit on the Social and Solidarity Economy, this issue was identified as a priority. There was a desire to strengthen commercial exchanges among social economy enterprises and to widen external access. In certain cases, social economy enterprises already had access to relatively protected markets, since they answered needs that the public and private sectors did not. However, in most cases, our enterprises were in sectors where private and collective enterprises were active. Often small-scale, while respecting certain basic standards in working conditions and environmental safety, collective enterprises had difficulty in establishing their presence.

Fortunately, Quebec society in this period increasingly recognized the importance of these enterprises to the development of communities and to tackling certain social and environmental issues. Governments elsewhere were implementing responsible purchasing policies and in 2011, Quebec's did the same. Within the framework of a new strategy for place-based revitalisation,⁸⁶ the government launched the initiative 'Social Economy – I'll Buy That!' It had two goals: 1) to empower collective enterprises to weather (onerous) procurement processes in order to do business with government; and 2) to encourage ministries and government institutions, healthcare establishments and municipal bodies to purchase from social economy enterprises.

This initiative required input from several partners: the Chantier, the Regional Hubs, the Government of Quebec through the MAMROT and certain municipalities. The challenge was, and still is, very daunting. The demanding process of responding to calls for tenders, the small scale of the majority of enterprises, their limited access to capital and limited knowledge of public procurement processes – all these factors were identified as obstacles to increasing the presence of collective enterprises on public markets. However, the work was worth the effort; the potential for partnerships advantageous to both buyers and sellers was gradually recognised. The social climate was favorable for responsible consumption within public institutions, private enterprises and among individual consumers.

Despite clear political commitments, however, the road forward was sinuous. We had to equip enterprises to be able to respond to calls for tenders or to negotiate on the basis of mutual agreement. We had to raise the awareness of those responsible for procurement and master all there was to know about the award of public contracts. At a time when newspapers repeatedly were filled with collusion and corruption scandals in government contracts, purchase managers within public institutions were very nervous. Centralised decision-making processes, the standardisation of requirements by the Treasury Board and the bundling of contracts through a centralised government structure posed many challenges to social economy enterprises. Indeed, large calls for tenders often specified volumes that were beyond the capacity of local social economy enterprises to supply. It took a lot of training and complex processes to overcome these difficulties and even then, unfortunately, the results were mixed.

⁸⁶ *Stratégie pour l'occupation et la vitalité des territoires.*

The best results were generated thanks to the action of diverse partners and social economy actors, the Regional Hubs especially. Indeed, several Hubs developed agreements with municipalities in their respective regions, municipalities that also were invited to sign a declaration underlining their commitment to the social economy. The CESIM successfully developed a joint initiative that brought together public and institutional buyers and social economy enterprises in Montreal to increase purchasing from collective enterprises. This initiative was replicated and adapted by other Hubs, including Estrie, Longueuil and Quebec City.

Inspired by the experience of Italian social cooperatives, another strategy that was tested was to create consortiums to respond to larger calls for tenders. Thus, in 2013, when *Espace pour la vie*, the organisation responsible for managing Montreal Olympic installations, issued a call for tenders for their food services directed exclusively to social economy enterprises, three workforce integration businesses formed a consortium to win the contract. Today 'Project Sol' continues to furnish food services at the Biodome and the planetarium.

In 2011, the Chantier undertook a long and ambitious project to reinforce the commercial capabilities of collective enterprises. The first step was to create *Commerce solidaire*, which encouraged social economy enterprises to form purchasing groups in order to diminish the cost of their inputs.⁸⁷ The mission of Commerce Solidaire was to 'improve the buying power of social economy enterprises, support the commercialisation of goods and services by social economy enterprises and promote local development and responsible consumption'. The trajectory was long and arduous, however. One by one, we had to convince the purchasers for social economy enterprises to change their buying procedures. They had to negotiate better prices from suppliers, despite the fact that their purchases (initially) were modest. Nevertheless, it was all worth it, thanks to the perseverance of the Chantier's team, particularly François Vermette, who piloted the dossier in a masterful fashion, and Jean Bénard, Director of Commerce Solidaire, and several member networks. First operational in 2012, Commerce Solidaire today carries out over \$4 million in transactions.

⁸⁷ It drew its inspiration from a project of the AQCPE whose purchasing cooperative 'William' enabled member Early Childhood Centres to negotiate better prices from suppliers while encouraging the latter to buy locally.

The Creation of Commerce Solidaire

Commerce Solidaire, created by the Chantier in 2011, offers group purchasing services and commercialisation support to social economy enterprises. Its objectives are:

- to enable social economy enterprises in Quebec to make important savings in the purchases of goods, services and materials necessary to their operations.
- to enhance the product and service offerings of social economy enterprises in order to facilitate individual and institutional buyers.
- to reinforce local development and responsible consumption.

The volume purchasing platform can be accessed at www.commercesolidaire.com. The commercialisation platform (created in partnership with other Canadian organisations) can be accessed at www.akcelos.com.

The second step was for Commerce Solidaire to market social economy products and services. More and more public institutions, private enterprises and individual consumers were showing interest in buying from social economy enterprises. But how to find the right product, the proper service or the appropriate enterprise with which to do business? Not every enterprise had the ways and means to make itself known among public institutions; not every buyer had the time to find the product or service s/he was looking for. By working together, however, everything became possible. Thus, a promotional platform including on-line purchasing from a catalogue of products and services was added to Commerce Solidaire. Progress was slower than planned due to delays in Step One; only in 2016 did work begin on the platform. Step Two is currently under development in collaboration with Canadian networks and with financial support from the Government of Canada and the McConnell Foundation. The official launch took place in the fall of 2019.

The interest in responsible purchasing also manifested in certain large enterprises and institutions. The Chantier was approached by Anne Marie Saulnier from ECPAR,⁸⁸ an association of procurement officers from major companies and institutions in Quebec. Together, we identified avenues for collaboration that made it possible for large enterprises

⁸⁸ Quebec Centre for Responsible Procurement Practices (*Espace québécois pour concertation sur les pratiques d'approvisionnement responsable*).

to sub-contract with social economy organisations. The new purchasing portal, Akcelos, will facilitate this process.

'Never a prophet in your own land' ... but our international reputation kept on growing

International work, through bilateral agreements and participation in global networks, was always a priority for the Chantier despite the fact that the energy required was often called into question. Why invest so much energy traveling around the planet when our needs at home are so substantial? It was a pertinent question that required clear answers. As in the past, we were able to demonstrate how Quebec benefitted from our international work through the wealth of learning it brought to our practices and the recognition it brought in our country. International work was also an expression of our values, allowing us to share our achievements with others and to show how social and solidarity movements, wherever they were, spoke with one voice. Between 2004 and 2011, exchanges took place with Argentina, Belgium, Cuba, Spain, Ireland, Ukraine, Brazil, Cameroun, South Korea, Japan, Bolivia, Mexico, Guatemala, Niger, Mali Burkina Faso, Ghana, Vietnam, Sri Lanka, Colombia, Ivory Coast, the United States and France. Quebec's international reputation in the field of the social and solidarity economy ramped up considerably after 2009, and its capacity was demonstrated in fairly spectacular fashion by the Chantier's organisation of the International Forum on the Social and Solidarity Economy (FIESS) in 2011.

The trigger for this initiative lay in the 2008 financial crisis, which posed a serious threat to the economies of all countries. In June 2009, the International Labour Organisation (ILO), a United Nations Agency, organised an extraordinary session of its governing body in Geneva to address the employment crisis. Note that among UN agencies, the ILO is uniquely tripartite. It brings together government, labour and business representatives to establish international norms, elaborate policies and devise programs to promote decent work. The International Cooperative Alliance has been a partner of the ILO since its founding in 1919. The ILO's decision to broaden its mandate to embrace a wide range of collective organisations, including associations, attests to the rise of the social and solidarity economy around the world. It was in this context, that I suddenly found myself invited to participate in a panel with a spokes-

person from the World Bank and the head of the European Association of SMEs before a formal assembly of UN member countries in Geneva.

Within a broader discussion on entrepreneurship and SMEs I had the mandate to plead the case for the social economy as a component of the response to this crisis. In 15 minutes, I managed to deliver a strong message that was well received, even prompting a question from the U.S. representative. ‘Why push the social economy now, in the context of this crisis?’ he asked. Without pause, I replied:

Try to imagine that the United States had chosen the path of the social economy to respond to the needs of those who lack decent housing in the US. The international financial crisis was triggered by toxic financial products linked to mortgages granted to people who were incapable of making their payments. In Canada, we chose the path of the social economy, through cooperatives and non-profits, to respond to the needs of a low-income population. After decades, we have had almost no bankruptcies. If the same choice had been made in the US, perhaps we wouldn’t have had the current crisis!

To my great relief, my response was well received by the American representative and by the ILO team.

In the months that followed, the ILO decided to launch a social economy initiative. In the fall of 2009, it organised a regional conference in Johannesburg with the theme. ‘Social Economy: the African Response to the World Crisis’. Once again, I was invited to speak and in 2010 I was part of a small group of experts who assembled for two weeks in Turin, Italy to prepare a training guide. Entitled ‘Social and Solidarity Economy: Our Common Path to Decent Work’,⁸⁹ it became the basic tool for the ILO’s first Social and Solidarity Economy Academy, a training initiative that continues today.

The recognition of Quebec’s expertise by a UN agency inspired Laurent Lessard, the Minister responsible for MAMROT, to propose that we co-organise an international event in Quebec. No sooner said than done! We reached out to a diversity of international partners who enthusiastically agreed to partner with the event. Only then did Mr Lessard’s staff contact me to say that the Minister had changed his mind; the funds necessary for the initiative were not available. Too late! The machine

⁸⁹ *Économie sociale et solidaire: notre chemin commun vers le travail décent.*

had been set in motion by the Chantier and there was no going back. We decided to forge on with the limited means at hand, and began to organise an international forum by ourselves, calling on a wide variety of partners to get involved and give us their support.

It was a big gamble, but we delivered. The organisation of the event was taken in hand by Jean-Francois Aubin, a long-time social economy militant with a good knowledge of international networks. He was supported by a team of brilliant and efficient young people, including the future Executive Director of the Chantier, Béatrice Alain. FIESS, held in Montreal in October 2011, surpassed all our expectations, drawing over 1,600 representatives from 62 countries on all continents. Representatives of various states and local governments were present, including the Brazilian Secretary of State for the Solidarity Economy, Paul Singer, social economy authorities for the cities of Paris and Rio, and a minister from Ecuador. (It had just adopted a new constitution that positioned the social and solidarity economy on the same level as the public and private sectors.) International organisations such as the ILO, the OECD and the African, Asian and Latin American development banks participated as well.

FIESS had diverse components, but the overall theme was that of the recognition and the co-construction of public policies in favour of the social and solidarity economy. Pre-forums with several hundred people were organised about women's issues (in partnership with a women's group, *Relais Femmes*) and about First Nations (organised by the Quebec Network of Native Friendship Centres). A union caucus, bringing together union activists from several countries, was a venue for discussions of alliances and issues between the labour movement and the international social and solidarity economy movement. There was a youth event, with a strong cultural component. International visitors crisscrossed Quebec for site visits, giving them the benefit of direct contact with a wide range of social economy initiatives. Concurrent with a peak in the 'Occupy Wall Street' movement, hundreds of FIESS participants marched to the Montreal stock exchange building during a lunch break to show support for the demonstrators camped in front of this symbol of international finance. Armed with a megaphone at this impromptu action, our own Margie Mendell and Ximena Ponce Leon, Ecuadorian Minister for Economic and Social Inclusion, vigorously addressed the

crowd and the next day, an Occupy representative spoke briefly at the final plenary session of FIESS.

FIESS was a resounding success that gave a new momentum to mobilisation around the social economy and, above all, to its recognition by government. As the expression goes, ‘Never be a prophet in your own land’. By bringing the whole world to testify to the importance of Quebec’s social economy movement, new players understood its pertinence, opening the doors to new alliances in the future.

Investing in the Future

The question of the next generation was always on our minds at the Chantier. The strategic orientations adopted in 2009 summarize the challenge well:

As it is for the rest of society, the demographic curve is an important challenge for us. How can we ensure the changing of the guard in our enterprises and our organisations with the imminent, massive wave of baby-boomer retirements? How will we attract and keep managers, administrators and workers? This is even truer because we are not aiming to maintain but to expand and multiply collective enterprises in the coming years.

The Chantier chose to understand the ‘changing of the guard’ as a process extending beyond young people to include segments of the population whose engagement in the social economy remained modest. So promotional activities were developed to reach out to immigrant groups, and at times made the link between the social economy in their countries of origin and the one here in Quebec. Despite several attempts, the results were mixed.

Among Quebec’s youth, by contrast, the message of social economy was received with an exhilarating eagerness and openness. Many young people identified with the vision of entrepreneurship rooted in solidarity. Youth projects and projects with youth organisations multiplied. Awareness-building tools were produced over the years, targeting different categories of young people and using a diversity of communication techniques and strategies. Among the most compelling initiatives were the following: a survey on youth participation in the social economy; ‘My First Job in the Social Economy’, an initiative offering wage subsi-

dies for young graduates to work in collective enterprises; a network of outreach workers⁹⁰ to raise awareness of collective entrepreneurship; the management of a privately-funded scholarship program for young entrepreneurs; a partnership with the Montreal Youth Forum to inspire young people to get involved in the social economy; the participation of young people in international exchanges; and, notably, the organisation of a youth delegation to the Rio+20 conference on climate change.

Never Too Young to Become a Collective Entrepreneur

The promotion of collective entrepreneurship among youth was an important issue for the social economy movement. One of the flagship projects was the network of Youth Service Cooperatives (CJS),⁹¹ involving adolescents during the summer break. First launched in 1988, this project raised awareness of collective entrepreneurship among secondary school students through the creation of cooperatives during summer vacation. Each CJS comprised 12-15 students. Together with the support of a local committee, supervision by animators and training in collective entrepreneurship, they took up the challenge of founding a cooperative to create summer employment in their community. The CJSs were developed across Quebec and in the years 2000-2017 benefited from the support of the Quebec government and the Quebec Solidarity Fund through a fund dedicated exclusively to their support.

The CJSs are another example of Quebecers' 'savoir-faire' that has spread internationally (despite the difficulties this initiative is currently facing in Quebec). The *Fabrique entrepreneuriale* (Entrepreneur Factory) and its team members, Katerine Roy and Hugo St-Laurent, are now supporting French and Catalan partners in implementing the CJS initiative in their respective countries. Other national networks have expressed interest in testing the CJS model.

The succession issue had repercussions on the Chantier's associative life and its strategic plan. In 2005, a youth committee was struck and the succession issue remained a priority in all subsequent planning processes. These measures bore fruit: the level of youth participation in the social economy movement is indisputable. In 2016, the creation of the Youth Wing signaled the degree to which social economy had galvanized

⁹⁰ Funded by Quebec's Youth Secretariat, with the support of the CQCM.

⁹¹ *Cooperative jeunesse de service*.

and infused youth and youth organisations. For example, several student associations are now members of the Chantier and the resolve of the student federations to promote and support the social economy continues to progress. For evidence, consider the first Quebec-wide conference on the role of the student movement in the social economy, organised by the Laval University student association in March 2019. Numerous student associations from across Quebec participated and several ideas were discussed for stimulating collective entrepreneurship on campus.

No doubt one of the best illustrations of the leadership role that youth are assuming within the social economy movement is the Work Unit for the Provision of Student Housing (UTILE).⁹² Created by student movement militants, this non-profit organisation is dedicated to the promotion and development of affordable cooperative student housing. An investment fund for this purpose has been created and the construction of the first residence commenced in 2019. Two of its founders, Laurent Lévesque and Gabriel Fournier-Filion, are actively involved in social economy networks, sharing their expertise and mobilising capacity. Laurent was the first President of the Chantier's Youth Wing and is a member of the Chantier's Executive Committee.

'This movement is our movement'

Representatives of the Assembly of First Nations and Labrador (APNQL)⁹³ and of the Inuit were among the participants at the 1996 Summit on Economy and Employment. Convinced that the values inherent in collective enterprise reflected in many ways those of our First Peoples, I had met with the Grand Chief Ghislain Picard and the Inuit spokesman, Mark Gordon. 'The doors to our working group are wide open to your participation if you are interested,' I told them, 'but I also realize that it is a lot to ask, since our group is on the margins of this Summit. Still, I am convinced that sooner or later our paths will cross, for I believe that we share the same values when it comes to development.' In fact, neither leader joined the working group, but our rendezvous was only a matter of time!

In 1997, at the suggestion of Robert Sauvé, Associate General Secretary responsible for the Secretariat of First Nations Affairs, the Chantier

⁹² *Unité de travail pour l'implantation de logement étudiant.*

⁹³ *Assemblée des Premières Nations Québec-Labrador.*

began a series of meetings with the Quebec Network of Native Friendship Centres (RCAAQ),⁹⁴ under the presidency of Édith Cloutier. This meeting led to the first social economy initiative of the Val d'Or Native Friendship Centre, what Ms Cloutier (the Centre's Director) called a 'social economy gear change'. In the following years, many social economy projects emerged from this network. In 2007, RCAAQ's Executive Director, Josée Goulet, sat on the Chantier's Board of Directors and was a member of the Executive Committee for several years.

This blossoming partnership was formalised at a major event organised by the APNLQ in 2006, the Socio-economic Forum of Quebec's First Nations, held in Masteuiash in the Lac Saint-Jean region. It was attended by representatives of First Nation communities, the governments of Quebec and Canada as well as organisations from all sectors of Quebec society. Indigenous representatives underscored the importance of the social economy to First Nations and a collaboration agreement was signed between the Chantier and the RCAAQ. Despite the government's preference for more classical approaches to economic development, the values of the social economy were what resonated for participants, particularly the youth. As is the tradition, young people were given the last word in discussions of the various themes. The young person who closed the discussion on economic development was unequivocal. 'We, the First Nations, have an attachment to our earth and to our community. It is our hope that the social economy occupies an important place in the economic development of First Nations', declared Alexis Wawanoloath, spokesperson for the First Nations' Youth Council. Seated beside him, in my role as the Chantier's CEO, I couldn't stop smiling, from ear to ear!

On the organisational level, our First Nations partners made the decision to create an Indigenous Social Economy Circle, after the model of the Regional Hubs. It brought together various First Nations actors who were engaged or interested in the social economy. Notably, the Circle facilitated the development of an Indigenous vision of the social economy, called *Anicinape Licikan* (Anishinaabe for 'Indigenous Day').

Regional Hubs in Nunavut and on Cree territory were also established. Through their links with the Chantier, they were able to secure support for their activities. Several training sessions and conferences were organised by these Hubs during this period.

⁹⁴ *Regroupement des centres d'amitié autochtones du Québec.*

First Nations and the Social Economy

Beginning in 1997, the Chantier established links with First Nations' organisations in Quebec, the first fruit thereof being a collaboration with the Network of Native Friendship Centres (RCAAQ) in which the social economy rapidly became an focal point of development. Many initiatives were launched by the centres.

At the 2006 Socio-economic Forum of Quebec's First Nations, the social economy was recognised as a 'development path' by the Assembly of First Nations of Quebec and Labrador (APNQL). In 2009, an Indigenous Social Economy Circle was created at the initiative of the RCAAQ.

In 2012, the ALPLQ expressed interest in becoming a member of the Chantier's Board of Directors. In 2015, a regional table on First Nations' social economy was created and took on several initiatives, including a portrait of social economy in First Nations communities, a gathering of First Nations on the theme of social economy and a pilot project on youth entrepreneurship (StartUpNations) in 2017.

Our partnership with First Nations grew even stronger in the years that followed. Thus, in the run-up to FIESS, the RCAAQ decided to organise a First Nations pre-forum. It attracted 350 people and was one of the highlights of the overall event. At the opening session of FIESS, Grand Chief Picard was among the heads of government invited to speak to the assembled participants. At the Forum's closing, he spontaneously asked to speak once again. On stage, with great emotion, he solemnly declared, 'This movement is our movement', because the values of the social economy and those of First Nations are the same. As you might guess, this was an emotionally-charged moment for everyone.

This recognition and this alliance rooted in common values received ratification in an unusual way, when the APNQL asked for a seat on the Chantier's Board of Directors in 2013. Today the APNQL is still an active supporter of the social economy. In the early years, the Health and Social Services Commission was in charge of the dossier but today, the Economic Development Commission is responsible for coordination. Karin Awashish, from the Obedjewan community and founder of a Atikamekw Handicraft Cooperative, works as the social economy advisor for the Commission and heads up the Indigenous Social Economy Circle.

Towards a new economic logic: the role of the social economy in a new development model

Originally, the Chantier's mission was to 'promote the social economy as an integral part of Quebec's socio-economic infrastructure.' This mission was to be carried out as follows:

The Chantier works to promote, facilitate and support the emergence, development and consolidation of social economy enterprises and organisations in a variety of sectors of the economy in response to the needs of communities and to create sustainable jobs. Fostering and supporting the coordinated action of diverse social economy actors are also at the heart of the Chantier's mission.

During the first decade of our existence, all our energies were devoted to carrying out this mission. But from the very start, the motivation for a majority of social economy actors went beyond the creation of collective enterprises. Its strength came from a commitment to contribute to societal change through the development of a more inclusive, democratic and sustainable economy. This certainly is what motivated social movements to participate and work with the Chantier. Despite the limits to its actions, the social economy movement represented a powerful tool for building a vision of what an economy at the service of the common good could look like.

Unfortunately, from the beginning, the daily challenges inherent in enterprise development monopolised the limited resources of the Chantier. It was only in February 2010 that the Chantier, in collaboration with Nature Québec, the Quebec Association of Early Childhood Centres, Culture Montréal, the Centre for International Studies and Cooperation (CECI),⁹⁵ Rural Solidarity, the Polanyi Institute, the CIBL community radio station and UQAM's Community Services Office⁹⁶ launched the Network for a Change of Economic Logic or *Réseau CLÉ*. It published a declaration and four editions of an information bulletin, 'Momentum', with the goal of defining an alternative vision of the economy through in-depth analyses and the organisation of a forum in 2009 to debate various issues.

Unfortunately, due to a lack of resources at the Chantier and the other member organisations, the lifespan of the Réseau CLÉ was very

⁹⁵ *Centre d'étude et de coopération internationale.*

⁹⁶ *Services aux collectivités.*

short. The Chantier nevertheless continued its reflection on the role of the social economy in the emergence of a new development model within the framework of a series of strategic meetings. During the year 2011, exchanges took place with a diversity of partners, both from civil society and government, based on a series of proposals and courses of action in favour of a more democratic, equitable and sustainable economy. We hoped to build, with others, a long-term vision of the contribution of the social economy to Quebec society. Meetings were held with union leaders, the caucuses or representatives of the different political parties, community networks and many other socio-economic stakeholders. The discussions enabled us to measure the progress made towards the recognition of our vision of development, and more importantly, the path yet to travel. At the launch of these strategic meetings I declared,

At a time when citizens are more and more aware of the impact of the dominant economic model on the environment and on their quality of life, and when collectively, we are more aware than ever of the need to protect our food and cultural sovereignty, the time has come to take another step toward a more sustainable and equitable development. It is time to accord collective entrepreneurship the space it deserves and to support a citizen-based economy that places human beings and the common good at the heart of its concerns.

The importance of this aspect of the Chantier's work ultimately was affirmed through a change in our mission. It reminded us that the mission of the organisation was not simply to support enterprises regardless of their role in a process of social transformation. Our mission thus became to promote the social economy as an integral part of a plural economy in Quebec, and in so doing, to participate in economic democratisation and the emergence of a development model based on the values of solidarity, equity and transparency.

Rethinking the Chantier: the value of tough questions

In 2012, the Chantier experienced its first internal crisis with the departure of two members of the management team. The crisis originated in debates over internal organisation and how to make room for the next generation. After 15 years of existence, the Chantier had to 'take stock',

ponder itself, its future and how that future depended on a successful ‘changing of the guard’. For the first time in its history, the Chantier engaged in a process of reflection about itself as an organisation. The process was organised around four major themes: re-examination of the mission, revision of governance, our practices as an employer and the issue of succession. The goal was to ensure that the Chantier continued to embody the values on which it was founded while adapting to new realities. The Board of Directors took issues of governance under consideration and consultations were organised with the membership.

This process led to several changes within the organisation: in its internal structure, in the articulation of its mission (see previous section), in the priority of the succession issue, and in the relationships between the various components of its ecosystem, especially ‘kindred organisations’ within its network. The results were numerous: internal reorganisation; better participatory management; regularization of human resource policies; and changes in governance structures. It was a necessary process that opened up new perspectives for the organisation, while protecting the assets that had been the Chantier’s strength since its creation.

Framework legislation: 30 years after it started, a consensus over the movement’s institutional recognition

In 2013, the Quebec National Assembly unanimously adopted framework legislation on the social economy. Tabled by the Parti Québécois government at the initiative of Premier Pauline Marois and Sylvain Gaudreault, the Minister responsible for MAMROT, the act represented an important step down the long road toward recognition of the social economy. It is important to remember that, at the 1996 Summit on Economy and Employment, the working group’s first three recommendations were the following:

- recognise the model of the social economy presented in this report as a component of Quebec’s socio-economic infrastructure.
- in regard to major issues in Quebec’s socio-economic development, recognise the actors of the social economy as full partners by ensuring their adequate representation in all partnership structures and active engagement in consultative and collaborative processes.

- require all ministers and government institutions to recognise social economy enterprises and organisations as full-fledged participants and to commit to the elimination of normative and administrative barriers that exclude social economy enterprises from certain forms of government support.

Indeed, some progress was made in the years to follow, but it took 18 years for this Summit consensus to gain formal recognition through legislation. The idea of embedding recognition of the social economy in the machinery of government was inspired by framework legislation adopted or under discussion in several countries, including France, Mexico, Spain, Portugal, Greece, Equator, Colombia, Brazil, Cameroon and Mali. In these cases, the purpose of the legislation was to recognise the contribution of collective enterprises, to secure their recognition within government institutions and policies and to establish spaces for permanent dialogue with government in order to continue the development of new public policies.

The proposal to enact framework legislation was well received within Quebec society. Meetings took place with the three opposition parties at the National Assembly, all of whom declared their support. The only organisation to oppose the law was the Quebec Federation of Chambers of Commerce (FCCQ),⁹⁷ under the presidency of Françoise Bertrand, who formally expressed disagreement during consultations by the Parliamentary Commission on Territorial Planning. FCCQ arguments were based on a fear of so-called ‘unfair competition’ but received no endorsement from other sources. The CQCM also expressed concerns in line with its previous positions. By contrast, Claude Béland, former President of the Desjardins Movement, appeared before the commission to express his enthusiastic support.

The framework legislation was adopted unanimously by the National Assembly on October 10, 2013.

Life after framework legislation is no ‘smooth sailing’

Though the unanimous passage of this legislation was seen as a major victory on the long road toward recognition, the years which followed were bumpy indeed. Six months later, Quebec elected a new government under the leadership of Philippe Couillard. This change posed no

⁹⁷ *Fédération des chambres de commerce du Québec.*

Passage of Framework Legislation on the Social Economy

The framework legislation on the social economy had the following three objectives:

1. to promote the social economy as a lever for socio-economic development;
2. to support the development of the social economy by creating and adapting policy tools with a view to fostering coherence in government action and transparency; and
3. to foster the access of social economy enterprises to government measures and programs.

The act brought institutional recognition of the Chantier de l'économie sociale and the Quebec Council of Cooperatives and Mutuals by designating them as privileged interlocutors of government in the area of the social economy. It obliges government to produce an Action Plan every five years and to report back to the National Assembly on the implementation of the Act. As framework legislation, it applies to all government action, rather than one specific ministry; this is one of its greatest strengths.

threat to the legislation, and preparation for the Action Plan continued. Announced in 2015, it contained several interesting measures. Among the most notable were the encouragement of cooperatives as a SME succession strategy; the creation of clusters to foster the development of several sectors; the creation of a statistical portrait by the Quebec Institute of Statistics; and increased funding for certain organisations.

However, framework legislation is not a cure-all. The movement was delivered a massive blow by the decision of the new Liberal government (and especially the Minister responsible for MAMROT, Pierre Moreau) to eliminate all civil society participation from local development structures. The CLDs were abolished and all responsibility for entrepreneurship and business support was delegated to municipalities and the MRCs. Montreal's mayor, Denis Coderre, seized the opportunity to cut funding to CDECs and to concentrate resources in a new structure under City Hall's control, PME Montreal. An array of collaborative structures at the regional level were decimated and all forms of participatory democracy that gave civil society actors a seat at the table were viewed with suspicion by the new government. It was a hard blow to the social economy's supportive ecosystem.

Despite the government's end to funding for most collaborative structures, interventions by the Chantier and its partners managed to 'save' the Regional Hubs. Deprived of many tools and spaces for dialogue, the Hubs supported each others' efforts to reposition themselves in this new reality and, in collaboration with the Chantier and other actors, to rebuild a supportive ecosystem, region by region. Luckily, we could count on the support of municipalities in many regions.

This work to reposition and rebuild an efficient ecosystem has made progress but is not yet complete; in fact, it is ongoing as I write these lines.

The creation of TIESS: a new impetus for innovation in the social economy

The research partnerships that progressed within the framework of ARUC-ES (2000-2010) and RQRP-ES (2005-2011) were extremely important for knowledge creation on the subject of social economy. For one, a huge quantity of reports, studies and books enabled the social economy to penetrate university curricula in several disciplines. However, the needs felt by actors on the ground were of a different order altogether. They wanted to learn from the research of course, but above all they wanted to learn from each other and to be able to transfer the lessons learned, not only from success but also from failure, from one community to another, from one enterprise to another and even from one country to another. The opportunity to address this need for knowledge transfer sprang up when the MEIE launched a competition to finance a new Social Innovation Liaison and Knowledge Transfer Centre (OLTIS).⁹⁸ Naturally, social economy networks responded to this call.

The proposal for TIESS was a joint undertaking of the Chantier and CRISES, under the leadership of Juan Luis Klein, with contributions from UQAM's Community Services Office, represented by Vincent van Schendel, and Margie Mendell, from Concordia University's Karl Polanyi Institute. It also received the support of multiple organisations, including Rural Solidarity, CQCM and the Quebec Solidarity Fund. In light of such support, the Ministry approved the proposal in 2012 and the organisation was formally established in 2013.

Since then, under the leadership of Mr van Schendel, TIESS has grown rapidly in the pursuit of its mission: monitoring, liaison and knowledge

⁹⁸ *Organisme de liaison et de transfert en innovation sociale.*

transfer in the realm of social economy, place-based development and social innovation. An economist with years of experience at the Community Services Office and a doctorate in industrial relations, Mr van Schendel was the perfect candidate for the job. The organisation rapidly recruited a team of experienced and dynamic people to act as knowledge transfer officers. In line with the research alliances that preceded it, TIESS's approach is based on the co-construction of knowledge and on the complementarity of academic and practical knowledge when grappling with societal challenges. Co-presided by the Executive Director of the Chantier and the director of CRISES,⁹⁹ the Board of Directors comprises representatives of research centres, higher learning institutions, and social economy and place-based development networks. Its action is carried out through regional 'antennae' – Social Economy Hubs and the higher learning institutions in their respective regions, and thematic working groups.

TIESS

TIESS is one of four Social Innovation Liaison and Knowledge Transfer Centres (OLTISs) supported by the Ministry of the Economy, Innovation and Export Trade. TIESS has as its mission to 'contribute to place-based development through knowledge transfer that equips social and solidarity economy organisations to take on societal issues in an innovative way and transform their practices'.

TIESS aims to support innovation capacity, strengthen collective capacity in neighbourhoods, towns, and regions, foster the democratisation of knowledge, and more broadly, to advance the democratisation of the economy and society. It also aims to contribute to a social and ecological transition and the implementation of an inclusive model of development, centred on the pursuit of the common good.

TIESS's approach to knowledge creation and transfer, unlike the classic model, is based on the co-construction of knowledge. Recognising that academic and practical knowledge complement each other, TIESS focuses on building ongoing relationships between researchers and practitioners as well as on monitoring by its officers and members. It targets knowledge appropriation as an organisational practice.

Since its creation, TIESS has become a formidable tool, allowing the acceleration of learning and the creation of tools to support development

⁹⁹ Currently, Béatrice Alain (the Chantier) and Sylvain Lefebvre (CRISES).

of the social economy wherever it is applied. Several themes have been prioritised: financing, the role of institutions of higher learning in place-based development, impact measurement, scaling up, land trusts and many others. In 2017, TIESS's success inspired the creation of an international centre for knowledge transfer in Montreal. CITIES¹⁰⁰ is based on an initial partnership between municipal governments, civil society organisations and research centres in Barcelona, Seoul and Montreal. Today, in close collaboration with the Global Social Economy Forum (see next page), CITIES is in the process of becoming a recognised centre of expertise for many municipalities and civil society actors around the world. Martin van den Borre, an experienced practitioner in cooperative development and fair trade, leads the CITIES team.

From local to global: the partnership between municipalities and the social economy scales up

In Quebec, the contribution of the social economy to the socio-economic development of local communities was the basis for an ever closer partnership with municipalities and local elected officials. This trend found resonance at the international level and at FIESS. However, the impetus for full recognition of this reality came to us from afar. It was Park Won Soon, newly elected mayor of the immense and modern city of Seoul, South Korea, that thrust the social economy into the foreground, first in his own country and then into the international arena. Mayor Park was a politician unlike any other. A former human rights activist, he had created a network of social economy enterprises in Seoul and, once in power, made support for the social economy one of his priorities. In addition, while scanning international best practices for inspiration, his eyes fell on the Quebec experience. It had been Margie Mendell who introduced Quebec's model of the social economy in South Korea, after she received a mandate from the OECD in 2009 to participate in an evaluation of that country's national policy on social enterprise. The report was a critical analysis of the centralised approach and by way of example, cited the Quebec experience. It was the beginning of a close collaboration with South Korea, and particularly Seoul, in regard to the implementation of its social economy initiatives. Since 2012, many South Korean delegations

¹⁰⁰ International Centre for Knowledge Transfer on Innovation and the Social Economy (*Centre international de transfert d'innovations et de connaissances en économie sociale et solidaire*).

have come to Quebec, studied the Quebec model in all its dimensions and produced numerous reports and even a book on Quebec.

In 2012 and 2013, at Mayor Park's initiative, the city of Seoul hosted international gatherings of municipalities, civil society actors and other partners in what was termed the first 'Global Social Economy Forum' (GSEF). It became a permanent structure in 2015, with the City of Montreal and the Chantier among the founding members. Since then GSEF has evolved into an international network that unites local governments and civil society actors that are active supporters of the development of the social economy. In 2015, with the support of Mayor Coderre, Montréal played host to the third international meeting of GSEF, co-organised by the Chantier and the City.

Like FIESS in 2011, GSEF2016 was a huge success. Béatrice Alain, drawing on her experience in the preparations for FIESS, skillfully headed up the organisation of the event in collaboration with Johanne Lavoie, Commissioner for the Social Economy at the City of Montreal, with the support of many Quebec, Canadian and international partners. No less than 1,500 people from 62 countries and 330 cities attended, including 200 representatives of local governments. As an international network of cities, GSEF2016's central theme was collaboration between local governments and social economy actors for the development of cities. Today, the Chantier remains active in GSEF and other cities have taken on the mandate to organise the gatherings. In 2018, the third GSEF forum was hosted by the city of Bilbao, with the support of Mondragon, in Spain's Basque region, which is legendary for its flourishing economy based on the cooperative model. The fourth forum will be held in Mexico City in the fall of 2020.

The end of an era: making room for the next generation

In May 2014, I informed the Board of Directors of my decision to step down from the position of CEO of the Chantier. As I explained in a letter to members of the Board:

The Chantier now has one last major challenge, the same challenge that many organisations, enterprises and institutions in Quebec face. It is time, in the context of our demography, to assure a successful transition to the next generation. The process of 'rethinking the Chantier' had as its goal to create the conditions for succession. It is now time for our

organisation to take the last step, that of replacing the first generation of leaders by the next. For this reason, I have decided to step down from my position as President and Chief Executive Officer of the Chantier in order to take on, if the Board agrees, a new role within the organisation.

My departure took quite a while. The choice of a successor was a long process. My immediate successor, Jean-Martin Aussant, contributed in his own fashion to the notoriety of the social economy and the positioning of the Chantier during the two and a half years he led the organisation. In August 2018, the position was filled by Béatrice Alain, a long-time colleague and a member of the generation of younger women with impressive capacities, who fear nothing and no-one and are ready to take up tremendous challenges in an exemplary way.

Issues and Lessons

The years 2014 and 2015 were a time of consolidation and development on economic, social and political levels. Our progress, particularly in terms of grassroots connections and our international presence, led to a sort of institutionalisation of the social economy, especially with the adoption of framework legislation in 2013. Lessons during this period were numerous, and often learned the hard way! They remain very pertinent for the years to come.

1. Building a movement requires recognition of diversity

The 2006 Summit confirmed that a social economy movement truly existed in Quebec. The participation of delegates from all regions and sectors as well as representatives of diverse social movements bore witness to the depth and the diversity of the grassroots of this movement for economic democratisation. Just ten years later, the concept around which people had rallied in 1996 was reverberating in rural and urban communities, within social movements, as well as in local development and entrepreneurship networks and among people of all generations, notably youth.

How to explain such a rapid rise of a movement in Quebec? Social and solidarity economy initiatives had emerged across the planet in response to the negative impacts of the dominant model. But Quebec was one of the places where this phenomenon most rapidly achieved recognition.

Undoubtedly, one reason was the fact that, from the beginning, we adopted an inclusive vision of the social economy, not a restrictive one, and that we chose to organise through networks and not hierarchical structures. Rather than trying to build a movement through actions that control and homogenize, at the Chantier we welcomed the expression of diverse ways of doing things and becoming entrepreneurs. Collective ownership and the primacy of people over capital were our bedrock, our fundamental framework – but practices were diverse. A long-term vision of social transformation and the values shared by social economy actors were what drew people into this movement.

The Chantier thus defined itself as a crossroads or meeting point, a ‘network of networks’, and not as a unique representative of the movement. Its interventions and its representative work were always anchored in a synthesis of needs and aspirations expressed on the ground and not in priorities defined at a central level. This was in sharp contrast with several older structures, where power was centralised and partner members had to fall in line for the sake of the unity of the movement.

This approach also manifested in an openness to debate and to different perspectives without any attempt to define ‘the party line’. It was a very demanding approach, and frequently provoked questions and animated discussion, but the results were conclusive.

If the social economy movement of today is strong, diversified and firmly planted, thank the solid foundation on which it stands: shared values, a common vision and open membership. It’s a movement with plenty more to say and do and hopefully will continue to evolve in a spirit of diversity and mutual respect!

2. It takes an ecosystem to build the social economy

There is an old proverb that says, ‘It takes a village to raise a child’. This applies to the social economy, too. No one organisation, no specific expertise, no unique policy is sufficient to develop an economy and enterprises that function according to a logic other than that of neo-classical economics. To succeed, there is a need for a whole range of organisations, tools, actors and approaches. One of the key success factors for the Quebec social economy was the creation of an ecosystem made up of local and regional development structures, sectoral networks, financial tools, training, research, marketing, public policies, and national

and international organisations. All these components, linked by hubs of coordination and collaboration, were essential and contributed to its development. Indeed, the abolition of great swathes of this ecosystem by the Quebec government in 2014 had a severe impact, slowing down the emergence of new enterprises and the consolidation of existing ones. Fortunately, the movement was strong enough to hold together and the ecosystem is now under reconstruction with new footings and new approaches. The Regional Hubs have been recruited to play a more important role in supporting development while a range of organisations are providing basic support and specialised expertise at the local, regional and national levels. For example, in the Outaouais region, the Regional Development Cooperative houses and animates the Regional Social Economy Hub while supplying support services to new enterprises in collaboration with the MRCs and the city of Gatineau.

The very concept of ‘ecosystem’ requires putting aside a pyramidal or vertical understanding of the relationships between various components. One of the Chantier’s major achievements was to roll out the tools necessary for an efficient ecosystem without it falling under the control of the Chantier or any other centralised authority. As early as 1997, with the creation of the CSMO-ESAC and RISQ, we dealt with the question of the relationship between the Chantier and partner or ‘kindred’ organisations. The issue came up again with the creation of ARUC-ES, the Trust, Commerce Solidaire and TIESS. The choice was different in every case; there was no official line as to whether the Chantier should or should not control the governance and monitor the application of these new tools. The goal was always the same, however: give each new tool enough space to accomplish its mission while maintaining overall coherence within the movement. In the case of our financial tools, the goal was to ensure that the investment policies corresponded to the reality and needs on the ground while leaving sufficient room for investment decisions to be made on solid and objective grounds. For Commerce Solidaire, the commitment from members was crucial; therefore, representatives of enterprises were allowed a dominant role in the governance structure. The governance of ARUC-ES and TIESS was based in each case on shared responsibility between researchers and practitioners; it was their role to ensure that the research was truly useful on the ground and that the organisation’s work generated real impact and concrete tools

for the Chantier and its members. CSMO-ESAC, which also included networks of community organisations, had its own governance, defined in part by the rules that applied to all sectoral councils. Nevertheless, for several years, the presidency of the CSMO-ESAC was held by a member of the Chantier's work team. Note that all these Quebec-wide organisations currently are housed at the Social Economy House¹⁰¹ on Fullum Street in Montreal.

Social Economy House

A heritage building in Montréal's Ste-Marie neighbourhood houses several major organisations within the Quebec social economy ecosystem. The Chantier de l'économie sociale, RISQ, the Chantier de l'économie sociale Trust, the CSMO-ESAC, TIESS and CITIES – all occupy one wing of a former convent of the Sisters of Providence, dating from the end of the 19th century. Social Economy House is part of Espace Fullum, a multipurpose centre that includes housing for the elderly and those with diminished autonomy or at risk of homelessness, as well as offices for 15 community and social economy networks and organisations. Among them are the Worker Cooperative Network, the Quebec Network of Non-Profit Housing and FRAPRU,¹⁰² an advocacy group for the right to housing. La Traversée, a non-profit community housing group, was the initiator of the entire project.

The first Social Economy House was inaugurated in 2001, in the presence of Pauline Marois, Minister responsible for the Social Economy, and Albans d'Amours, President of the Desjardins Movement. This particular project was made possible through a donation by the Desjardins Movement of a former credit union in the Hochelaga-Maisonneuve neighbourhood and a contribution by the Quebec government. When the latter location became too small for the Chantier and its sister organisations and partners, the new Social Economy House opened its doors on Fullum Street in 2013.

3. The need to scale up

As already indicated, the ambitions of a majority of social economy actors went further than simply creating new businesses. We also wanted to contribute, through collective entrepreneurship, to a gradual transformation of the entire economy to become more sustainable, inclusive and

¹⁰¹ *Maison de l'économie sociale.*

¹⁰² *Front d'action populaire en réaménagement urbain.*

based on solidarity. So it was no surprise when, over the years, Quebec social economy actors grew less and less willing to stay on the margins of economic activity. Their ambitions, the size of the projects and the diversity of partners grew and grew, demonstrating the resolve to scale up the social economy. The Chantier's strategic plan in 2009 clearly stated that scaling up had become a priority.

Piloting such a change in scale constituted and remains a major challenge. Firstly, scaling up does not translate just into bigger collective enterprises. Scaling up can also occur through the multiplication of small and medium-sized enterprises in one sector, which together represent a greater proportion of the sector and thereby influence the overall development model. This has been the case in the funeral business. The development of funeral cooperatives in several regions had the effect of maintaining or even lowering prices across the entire sector. The desire to scale up emerged principally from the will to influence the behaviour of all economic players by showing, through example, that it is possible to grow businesses and develop the economy in another way.

However, scaling up requires that the necessary conditions be established: access to larger amounts of capital, more specialised expertise, new forms of partnership and greater access to markets. It requires revisiting the entire ecosystem in order to adapt it to this objective. This work, though ongoing for several years, is only in its early days; changing scale is the cornerstone to a profound transformation of our development model.

4. The delicate balance between investment supply and demand : give priority to community needs!

As mentioned earlier, the Chantier de l'économie Trust was born in controversy. In its vision and way of operating, it disregarded traditional approaches to organisation and governance in the financial sector. It is important to remember that generally, those who own capital, be they a financial institution or some other body, determine the type of financial products offered and search for enterprises that respond to investors' expectations. New products are conceived by 'experts' from the financial sector whereupon businesses have the option to apply them to their development. This financialization of development, in which high finance dictates strategic orientation, is often the logic at the core of development strategies that are neither responsible nor sustainable.

This logic contradicts that of the social economy, in which entrepreneurial initiatives emerge in response to the needs and aspirations of communities and to an imperative other than that of financial return on investment. In short, people have priority over capital. Consider the example of RISQ, which emerged from a need that was clearly expressed on the ground. Another example is the Chantier de l'économie sociale Trust. Its offer of patient capital was also identified in the course of a vast inquiry carried out in collaboration with local and regional stakeholders and sectoral networks.

The logic of solidarity finance, which produces social *and* financial results, is to rely initially on the demand side to understand the needs of enterprises, their payment capacity, their mission and then from this information to construct an investment offer in collaboration with stakeholders. Of course, one must take into account investors' expectations: a pension fund, for example, must have a steady return on investment in order to generate pension funds for its members. Innovative approaches are necessary, with financial structures that involve various types of capital, including public funds or investors with more modest expectations. However, the key element is to have an in-depth understanding of what is happening on the ground and to develop financial products that truly respond to the needs of social economy enterprises.

This same observation can be applied to the way one analyses the pertinence of an investment. The experience of RISQ quickly demonstrated that one could not rely on the same criteria as in the traditional financial sector. Other criteria, specifically the support from and roots in the community as well as sound governance, were the principal determinants of the level of risk. And the proof is there; the loss or bankruptcy rate of businesses in which RISQ has invested is sharply lower than in traditional private businesses. This same phenomenon has been observed in all financial institutions that lend or invest in collective enterprises, in Quebec and elsewhere. Born from the needs and aspirations of a community, experience has shown that, when an enterprise runs into problems, everything possible will be done to save the social economy enterprise and to repay debts, to the great satisfaction of investors!

5. The process of institutionalisation, while necessary, must be handled with care

A long-standing demand of social economy actors was the recognition of the social economy. It has been achieved, thanks chiefly to Quebec's framework legislation. The Chantier was recognised as a privileged interlocutor of government, confirming to a certain extent its existence as a Quebec 'institution'. It was a hard-won victory that came with its share of risk; the social economy arose in a context in which it had to go off the beaten track, constantly questioning established ideas and traditional ways of doing business. The strength of the social economy ultimately lay in its capacity for ongoing innovation.

Once institutional recognition has been achieved, however, it can be very tempting to 'rest on one's laurels'; the Chantier and its partners are not immune from this danger. The decision to 'rethink the Chantier', the priority given to young people who could 'rock the boat' and the efforts to widen partnerships, take up new challenges, undertake still more demanding processes of innovation – all these means served to avert the impacts of institutionalisation. For institutionalisation, as necessary as it is, must not be allowed to burden or impede the rise of a movement condemned to perpetually renew itself.

6. Make room for the next generation and their ways of doing things

The creation of the social economy movement was a long process. The participants at the 1996 Summit had taken up the pilgrim's staff from those who had preceded them. In 1900, Alphonse Desjardins was a member of the Montreal Social Economy Society when he founded the first financial cooperative in Lévis. The Confederation of National Trade Unions founded the Solidarity Economy Credit Union (formerly known as the United Workers' Credit Union) in 1972. For both these traditional actors, the arrival of the Chantier, the scion of community economic development experiences and social organisations, was deeply disruptive – for better or for worse, depending on one's point of view!

The progress achieved in 1996 and the years that followed, the product of momentous debates and major mobilisations, was the pride of the Chantier's founding members and its early partners. But over time, habits do grow and ways of organising solidify. Yet the world continues to

change, sometimes at high speed with the arrival of new technologies. A generation gap can easily emerge. The increased presence of young people in social economy networks quickly put the spotlight on the need to adapt to new ways of doing things, new forms of communication and organisation. This adaptation was not always a success; at times, a reflexive resistance to change raised its head. Fortunately, young people were determined and had an independent spirit. Several initiatives, notable for their use of new technologies, emerged outside established structures – and a good thing, too!

The participation of First Nations in the movement also raised another type of challenge: to work in collaboration while respecting their independence and desire for self-determination, as well as approaches based on their cultures, traditions and current realities. In essence, the challenge for the Chantier and other social economy organisations was and always will be to make room for the next generation and for diversity and to constantly adapt to new realities, new players and new ways of doing things.

CHAPTER 6: EPILOGUE

After 30 years in leadership positions within civil society organisations, my decision to step down as CEO of the Chantier was both personal and political. In a letter to the Board of Directors (see Appendix 2), I took stock of my experience as CEO and explained that the true test of the solidity of an organisation is often found in the process of transition to a second generation of leaders. I expressed pride in my contribution to the movement but, nearing retirement age, as much as I still wanted to remain involved, it was high time to pass the baton to someone else. And that it was a good time for me to do so, since the Chantier and the movement were in good shape.

As I explained in my letter of resignation, I had no intention of ending my work and my militancy in a movement that means so much to me. I would continue my involvement as a ‘strategic advisor’, a ‘self-employed worker’, a ‘mentor’ or the like. This final chapter thus presents a synthesis of the lessons I have learned from my 30 years of experience as well as an overview of what I believe to be the main challenges for the social economy movement in the coming years. I do not claim to have the answer to these challenges. I hope, however, I can continue to take part in the conversation and, through this book, to participate in the ongoing deliberation and construction of this collective intelligence that has served us so well over the years and must proceed and intensify in the years to come.

Constants across time

Even though the period described in the previous chapters are distinct unto themselves, as are the lessons learned, certain elements are discernible at every stage of events. If these constants have been central to the progress achieved, it is no doubt worth our while to keep them in mind in the coming years.

The first constant was the choice that we made when exploring new paths forward to start with the needs and aspirations of communities, and not to rely on theories and strategies dictated from above, without a knowledge of what was occurring on the ground, and above all, without an understanding of the reality of people and communities in difficulty. In 1983, it was the growth in poverty and social exclusion that inspired local development practices in Montreal's Southwest. Unemployment and new social needs were what inspired the working group on the social economy when it wrote the 'Daring Solidarity' report in 1996. Furthermore, the needs and aspirations of rural and urban communities across Quebec have been the source of thousands of new entrepreneurial initiatives in the social economy over the past decades.

Our accomplishments are modest, when we compare them to needs and aspirations that remain unsatisfied. Nevertheless, we have succeeded in carving out a space in Quebec in which it is possible to act on the basis of another economic logic, and this despite the economic dogma that has dominated the landscape for decades. In and of itself, this is a promising breakthrough for the future, but to get there, it was necessary to go off the beaten track, to try new ways of doing things, to 'innovate' (as it is fashionable to say) in the economic sphere. Undoubtedly, this capacity for innovation, emerging from collective needs and aspirations, will remain a cornerstone for the construction of a more inclusive and democratic economy.

The second constant was our decision to bank on our collective strength, both in terms of the collective intelligence derived from working together towards common objectives, as well as collective ownership, which protects, today and in the future, the fruits of collective efforts in enterprise development. Banking on the strength of collective action produced results at all levels of our work. The revitalisation of neighbourhoods and villages in Quebec required the engagement of an array of stakeholders. The intersection of their knowledge and experience created the chemistry from which emerged one social innovation after another within the sphere of the economy. The power of this collective intelligence was manifested at the Summit on Economy and Employment and many times thereafter in the accomplishments of the social economy movement across Quebec.

The importance and the power of collective action are manifest in our commitment to the collective ownership of enterprises, a central

strand in the social economy's DNA. In many ways, the renewal of the social economy movement correlates with the socio-economic history of Quebec, in which collective organisations have played a central role. The fact that the largest financial institution in Quebec is a cooperative, that agriculture has survived and prospered here thanks to agricultural cooperatives, that the community movement has been the spearhead of a diversity of social innovations (several of which inspired social policies, such as the 1996 family policy) – all these are illustrations of Quebecers' profound attachment to collective action. The creation of the Chantier itself manifests this commitment to collective ownership, and the decision was not made casually, as we have explained time and time again. It was rooted in our resolve to put the economy at the service of the common good and to prioritise people over capital, another strand in the social economy's DNA. By choosing collective ownership we in no way denied the role and contribution of individuals. Our very definition of 'social economy à la Québécoise' in 1996 avowed the fundamental principle of 'individual and collective empowerment'. However, only through collective ownership could we ensure that our initiatives ultimately maximised benefits to the community as we intended. This form of ownership prevents, in the short and long term, any diversion of generated wealth, whether tangible or intangible, to a staff member's personal benefit. The results, be they measured in terms of the sustainability of our enterprises, the movement's resilience or the mobilisation of communities, speak for themselves. The strength of collective action is undeniable.

The third vector in the emergence and consolidation of the social economy movement was our decision to rely on citizen mobilisation in our journey down this path of development. Consider the following: the mobilisation of the community sector in the 1980s; the Women's March for Bread and Roses; the mobilisation of local communities to take charge of their own development; regional mobilisation in support of the social economy. A mobilized citizenry was fundamental to each. Without it, the social economy movement would not have 'moved'. Exploring unknown territory, taking public policy in new directions, making space for a social movement in a room full of economic actors – all were central to the social economy movement, but none would have been possible without rocking the boat. And to do that, citizen mobilisation was essential.

Another primary element in our progress over the last decades, and one that distinguishes the Quebec model from many other places in the world, was the effort to build a wide and diversified ecosystem. Rather than banking on a centralised structure, with a concentration of power and a uniformity of action, the 'ecosystemic' approach invited a wide range of actors, organisations, localities and structures to take the initiative, to maximise the impacts of their knowledge and know-how, and to respond in a precise and appropriate way to collective needs and aspirations. It was an ecosystem that we constantly were able to reinforce, thanks in part to the innate synergy of the initiatives and in part to spaces of coordination and deliberation, like the Chantier, which brought coherence to the diversity. Today, it continues to evolve and embed itself in Quebec's processes of socio-economic development.

At the same time, the social economy movement as a whole would not have developed in the same way in Quebec without being intimately linked to a passion for social transformation and economic democratisation. This too applies to all our actions over the past three decades. Social movements, bearers of this passion for change, have propelled and supported the social economy movement over the years, be it in the realms of finance and investment or in the creation of new products and services. This capacity to link values and a long-term vision with concrete actions at the grassroots of the economy has been the cornerstone for the emergence of the social economy movement.

Finally, the choice to join a world-wide movement advocating a new model of development was a key success factor. From the very first initiatives in the 1980s, it was clear to us that we could not build a small island of equitable, sustainable and inclusive development in a world that was going to the dogs. To succeed, we had to become part of a broader, even international movement. This was a profitable choice at all levels: in terms of the learning it brought us, the credibility it conferred on us, and above all, its inspiration of the young and the not-so-young, for whom borders are more and more permeable and planetary awareness stronger and stronger. Understanding that we were not alone in our desire to promote and support a social and solidarity economy enabled us to hold on in moments of greatest difficulty and, in moments of exultation, to cast our eyes forward, brimming with ambition.

And now? An overview of issues for the future

Increasingly, reading the morning newspaper is like experiencing a frontal attack on one's capacity to dream and to hope for a better future for the next generations. The environmental crisis has accelerated to the point that scientific predictions are often nightmarish. The rise of social inequalities and armed conflicts, often bred by the desire to control natural resources, are provoking increased indignation; they trigger migrations that pose a challenge to all countries. Does this mean that one should give up, admit that the battle is lost and live for the moment? As a mother, grandmother and simply as a human being, this choice is not an option. It is more urgent than ever to continue the work begun, alongside other social movements working towards a more just, sustainable and egalitarian world, to build a social and sustainable economy rooted in solidarity.

The road is a difficult one and the issues that lurk in wait are significant, even in our small universe of Quebec's social economy. Our successes, like those of similar movements in other countries, induce the emergence of new trends that, if we do not train our sights on our vision and our values, could harm the social economy movement and its transformative capacities. We are thus witness to an effervescence of new actors who stake claims to social innovation while emptying it of its transformative essence as well as its roots in collective action and democratic processes and institutions. Certain Canadian foundations (whose only 'legitimacy' is that which derives from the power of money) and certain government bodies are scrambling to push this approach, mobilising their financial resources to transform social innovation into a field for experts. In their eyes, new businesses selling more ecological or social products are 'champions of social innovation' and the individual entrepreneur is the 'hero' of these so-called innovations. Yet, history has taught us that positive social transformations are not the result of individual actions; they originate in changes and actions wrought by an entire community.

Fortunately, the next generation is already at work, taking on many challenges from a transformative, democratic and inclusive perspective. Allow me humbly to share a brief and very personal view of the most burning challenges facing social economy actors today and in the future.

The ecological challenge

Is it still necessary to remind ourselves how urgently we must change our means of producing, consuming and traveling in the face of climate change? Even if we tried to forget, today's youth are there to remind us! And if we still try to ignore it, natural disasters, floods, forest fires and many other phenomena linked to climate change are in the headlines almost every day.

The social economy movement must be an important actor in the response to this historic challenge and its contribution must be at several levels. Of course, social economy enterprises must be exemplary in respecting the environment in their processes of producing goods and services. Like any business, a collective enterprise must do an in-depth review of these processes and make the necessary adjustments. Social economy enterprises can and must also assume a greater presence in what is called the 'green economy', be it in the production of renewable energy or other sectors related to environmental protection or the circular economy.

But, for me, the fundamental role of the social economy movement in the response to climate change is to propose and implement another economic logic, another development model that makes people and the planet, and not profits, the focus of development. For the latter model is what has brought us to the edge of the precipice and is delaying, even blocking, our capacity to undertake necessary and urgent changes. It is high time for the social economy movement to embrace and integrate into its DNA the environmental cause and ensure that all its actions contribute to the development of a sustainable and inclusive economy.

The challenge of democracy

The necessity of transitioning to new model of development is becoming more and more self-evident. The social economy positions itself squarely within this framework through its absolute commitment to the common good, socially and environmentally. Regrettably, despite such good intentions, other imperatives (especially the pressure to generate tangible results in terms of economic viability and social impact) often tend to obscure, or even override a third essential component of transition. I am referring here to the challenge of democracy. For me, this is not primarily a moral issue. Social transformations that proved both positive and

successful have never resulted from the actions of a small group or an individual, whether they took the form of enlightened dictatorship, proletarian dictatorship or dictatorship of any kind. Social transformation can only occur as a result of the action of many sectors of society and that action must go well beyond the casting of ballots. Today democracy hinges on citizen participation wherever decisions are made, including within the economic sector.

With the rise of extreme-right populism in Western societies, the fundamental importance of investing in democracy and democratic processes has never been more apparent than it is today. Doesn't this populist rise expose the failures and the under-investment in citizen education, in education on democracy, in education as a whole, all key elements of a healthy democracy? The social economy movement must never lose sight of this central axis, democracy. That is why the movement is focused on collective enterprises under democratic control. That is why it defines itself as a citizens' movement at the grassroots of the economy.

Unfortunately, in the past as today, democracy is taken for granted. Or even forgotten or challenged. Some claim that democratic processes are too long and delay development. Some criticize the social economy movement for its insistence on collective control and advocate that priority instead be given to private social enterprises, whereby individual social entrepreneurs or innovators are to transform society through their own individual efforts. At the same time, certain philanthropic foundations position themselves as intermediaries between the State and civil society in the development of public policy, denying the fact that direct dialogue between government and civil society is essential to a democracy, and cannot be delegated to a third party.

Without disputing the good intentions of the proponents of this perspective, I regret to indicate the monumental reality which, consciously or unconsciously, they overlook: positive societal change can only be achieved through the collective action of citizens supported by democratic institutions.

The challenge of democracy must be central to the concerns of the social economy movement. It must be named, rolled out in all its forms and practices, supported by (among other things) new information technologies, enabling the greatest transparency and open, frank and inclusive debate. Social economy *without* democracy, like other trans-

formative initiatives, runs the risk of missing its target and becoming absorbed by the system that has done so much harm to the planet and its inhabitants.

The challenge of to sustaining innovation despite institutionalisation

The maturation of the social economy movement and the creation of a supportive ecosystem raise the challenge of our collective capacity to remain innovative within the context of institutionalisation. It is a major issue. On the one hand, an authentic social and ecological transition requires strong institutions with the capacity and organisational strength to implement such a transition. On the other hand, unfortunately, the very process of institutionalisation is often synonymous with a weakening of democracy and the capacity to innovate. Traditions become entrenched; governance bodies content themselves with continuity; and the boldness and heated dialogue so characteristic of the early years slowly melt away. At the Chantier priority was always given to the needs and aspirations on the ground and to those of our members, and there was not much time to ponder the evolution of our role, our mandates and the health of our internal democracy. The ‘chantier on the Chantier’ in 2012 was an opportunity for us to focus on certain internal issues and since then, governance has remained a subject of reflection. The creation of the youth wing is one of the results of this process and there is no doubt in my mind that young people (and their elders) will continue to stir the Chantier’s pot. Twenty years since the Chantier’s incorporation and six years since the social economy’s institutional recognition through framework legislation, it is vital for every component of the movement to engage in renewal constantly and at all levels, and especially in their innovative practices and promotion of democracy.

The challenge of scaling up

For several years, we have been discussing the importance of scaling up our action in the Quebec economy. We also have debated what ‘scaling up’ involves, for it means different things to different people. It can mean growing collective enterprises into large businesses. It can also mean creating more small businesses in one sector, so as, through weight of numbers, to influence directly or indirectly the functioning of certain economic sectors. Apply this to a particular locality, and scaling up can

be a means of influencing the course of local or regional development. Scaling up can also be a way to influence a whole range of economic behaviours, by participating in the cycle of a circular economy, for example, or by introducing business models based on a true sharing of assets and created wealth to the so-called ‘sharing’ or ‘collaborative’ economy (not to be confused with ‘UBER’-type models, which share goods and services but not profits).

But getting there requires that we continue to engineer the conditions for success. We need financial tools that are more substantial and efficient, yet do not compromise our long-term aspirations. We need more vigorous public policies, and especially better access to public support for research and development in technological and social innovation. We need access to private and public markets, tapping the growing desire to consume responsibly, for the sake of people and the planet. In addition, we must continue to build the capacities and skills of those who are to bear the responsibility for scaling up.

In other words, we must continue to build an increasingly robust ecosystem, including at the grassroots. We must be capable of scaling up while remaining well-anchored in localities through regional ecosystems that can support emerging initiatives and bring them to a level at which they can scale up when they so choose.

The challenge of diversity

Our world is changing and our societies as well, and the issue of diversity has never been so high on the agenda. The social economy movement cannot ignore this reality and must stay the course on which it already has made much progress. To the social economy movement, there is nothing new about the much-sought-after reconciliation with First Nations. Over the past 20 years, our collaborations with First Nations have been based on respect for self-determination, mutual recognition of differences and the identification of a common vision and values, and have produced hopeful results. This constitutes an essential pillar for the future.

Remember that diversity applies at different levels and evolves from different realities. Our outreach to groups who are victims of discrimination or social exclusion at various levels must not only continue, it must be intensified through strategies to be devised and undertaken with these same groups. The answers are not straightforward, as a range of

experiences and attempts at inclusion over the past decades has shown. For examples, consider the Chantier's initiative to integrate more new immigrants into management positions in social economy enterprises or the promotion of collective entrepreneurship among immigrant communities. In neither case were the results always up to standard. Social economy actors will have to mine their innovative capacity to find satisfactory answers to the challenge of diversity.

The challenge of consistency

The media regularly remind us how fed up citizens are with what is deemed the hypocrisy of our leaders, be they politicians, business leaders, heads of major institutions and even some of our idols in the cultural and entertainment sector. From the Charbonneau Commission to the 'Me Too' movement, scandals and salacious revelations fill our newspapers. In Ottawa, so-called defenders of the environment pay billions of dollars in public funds to buy pipelines. 'Star' companies display the highest ethical standards here, while their practices in distant countries are reportedly horrific.

The social economy cannot simply preach the importance of practices based on solidarity, sustainability and inclusiveness. They must be carried out in fact, and if we can say with some confidence a majority of social economy enterprises make social issues central to operations, the same does not apply when it comes to the environment. Without pretending that our enterprises can attain perfection in their social and environmental behaviours, we have to be consistent. It is an inescapable duty. We have to make every effort to support our enterprises so that their daily operations are consistent with our values and our discourse.

This same consistency must infuse the ways in which we work together. There is no place for corporatist approaches which put the interests of one enterprise or one organisation ahead of the collective interest and the common good. The arrival of a new enterprise, or a new financial tool, or a new organisation should not be seen as a threat if it improves the situation of the overall movement. Once again, consistency is vital and even crucial to the movement's credibility and its capacity to carry on that citizen mobilisation which has been essential to its success.

The challenge of articulating a new model of development

An Achilles heel of progressive forces has always been the difficulty we have getting beyond denunciation and short-term demands to articulate, propose and build the alternate paths that we envision. Lack of understanding of the economy disadvantaged us for decades. Every time we demanded changes of a social, environmental, cultural or economic nature, the response was the same: ‘One must first create wealth in order to share it’, or of course, ‘We are in competition with the entire planet; we have no choice but to do as other countries do’ (even when their behaviour spells ruin for us all).

It is increasingly urgent to get to work to articulate (with others, of course) the contours of the development model that our planet dearly needs. This model does not exist but its emergence is manifest in a wide range of local, sectoral, national and international initiatives. Cities have become the most common locales for experimentation. The digital era has opened up new paths, as much in terms of the production of goods and services as in terms of business models and the ways of sharing tangible and intangible assets.

We must, as quickly as possible, break the ‘one-size-fits-all’ mindset in regard to the economy and economic development. We were right 30 years ago to reject the Trickle-Down Effect. And yet, despite irrefutable proof that the theory is wrong, our economic policies continue to be based on this falsehood. To add insult to injury, it still gets taught in university faculties of economy and management – despite the growing demands of students here and elsewhere for pluralism in the teaching of economics. Today, despite the chatter about inclusive growth at Davos, the OECD and in Canada’s economic ministries, strategies and public policies have barely changed.

In this process of deconstruction and reconstruction, we can count on contributions from a diversity of movements and approaches that also challenge the dominant model and offer new paths for the future. Fundamentally, the ‘commons’ movement, platform cooperativism and other thematic initiatives all share the same project: to democratise society and the economy.

Today, it is our responsibility to invest in in-depth work with a wide range of actors to articulate, clearly and precisely, the vectors for the

development of tomorrow's economy, an economy that enables us to save our planet and offer a good quality of life to all.

The challenge of ongoing local, national and regional mobilisation

Without mobilisation there is no future for the social economy; it is as simple as that. How will we change the dominant economic logic and remodel our development instruments, be they financial, regulatory or other, without the adherence of a wide spectrum of actors and above all, solid support from the population? How to continue to innovate, to learn through doing, and to find new solutions to the complex challenges of our modern societies without the essential contribution of citizen action and new knowledge acquired through collective wisdom and intelligence? These have been key to our successes and will remain so in the future.

This observation is not limited to Quebec, for the globalisation of the economy prevents us from acting alone and without constraints in our small corner of the planet. International rules will have to be changed, sooner or later, to foster a development model other than the one that dominates our world today. The mobilisation of diverse networks, in countries, cities and civil society organisations around the United Nations' Sustainable Development Goals is an encouraging sign in this regard, but, given the scope of the challenges, we will have to pick up the pace!

Mobilisation, as we have seen and experienced, cannot be limited to the act of voting, or to crowding the streets with placards in hand. The mobilisation of the future is that which involves citizens in the formulation and construction of solutions, new paths for development and in the emergence of a new economy and new governance. Mobilisation at a local, national and international level has enabled us to get to where we are today, and, above all, is guarantor of what we hope to build as our future.

APPENDICES

Appendix 1

Montreal's Southwest

Challenges Bureaucratic Normalcy

Catherine Leconte, for *Le Devoir*, June 21, 1993

An impromptu self-examination at a conference at the National School of Public Administration on May 13: the speaker asked 200 civil servants how many times they personally had turned down a suggestion with the words, 'Can't be done; it would create a precedent!'

'Everyone laughed when I said that, because we hear it all the time', says Nancy Neamtan. But she is tired of hearing it; for the past twenty years she has run up against civil servants trapped in the logic of their sacrosanct programmes. Programs disconnected from the reality on the ground where she has to fight every day to find fresh solutions to unemployment and the decline of deindustrialised urban neighbourhoods.

The civil servants didn't laugh for long. They were told that they had sterilised the Quiet Revolution, 'a time when the civil service was synonymous with dynamic change'. For today, their agencies are no longer a 'force for the development of our society', but 'mechanisms that generate dependence, stifle local initiative and discourage private and collective entrepreneurship' through an approach to management based on programs rather than objectives. And it is high time another quiet revolution upended these vile habits.

'It has become a strategic issue for me', says the director of RESO (Coalition for the Economic and Social Renewal of Southwest Montreal). Barring a new quiet revolution, we find ourselves up against a very dangerous erosion of social solidarity. Because if people think there's nothing more to expect from the civil service, they won't want to pay for it.

Nancy Neamtan spends her time creating precedents. And when the reaction of civil servants to each success is to reconfigure its formula into a new program, then 'nine chances out of ten what we found to work in the Southwest won't fly elsewhere'. It is enough to make Nancy Neamtan tear her hair out, which, while on the subject, is a brown main streaked

with a little white, and as ample as her immense smile and her whole personality.

In 1983, she was heading up the community development department at the Pointe-Saint-Charles YMCA, where the recession was closing factory after factory in an industrial area already hard hit by the closure of the Lachine Canal. With some colleagues from other local community organisations ‘we decided to do something, that we wouldn’t wait any more’. For starters, ‘to take charge ourselves. We had to stop thinking that someone up there had ready-made solutions tucked away, or that a change of political leadership was the solution to the crisis and to unemployment’.

They realised that ‘the first welfare programs were very short-term, with no training components or real job creation’ and that ‘behind this was the idea (and still is today) that fundamentally, the unemployed don’t want to work, they have to be coerced. For us it was clear that that was not the issue; rather, between the day-to-day life of a welfare recipient and a return into the labour market, there are so many obstacles to overcome that people needed help as well as a change in attitude towards them. They needed more confidence and support for their efforts, not closer monitoring’.

First off, this approach gave rise to the creation of PEP (Pointe-Saint-Charles Economic Program) which, with the support of local business people, strove to support training and ‘develop the employability’ of the local population. Bang – there was a pilot project with a strategy focused on ‘what was fashionable at the time, individual entrepreneurship’, and therefore eligible for government grants. But it veered away from typical programmes of this sort because ‘the people in our neighbourhood were workers laid off in a series of factory closures. Folks with at best an eighth-grade education weren’t all going to become entrepreneurs overnight’.

The subsequent economic recovery passed the Southwest by. ‘We supposedly were in a period of growth but unemployment continued to grow’. In 1987 the closing of Coleco, a toy factory, and Simmons, a mattress manufacturer, left 1100 people jobless and triggered a local uproar and mobilisation leading to the creation in 1988 of a regional CAMO (Committee for Labour Force Adaptation). It brought together, in addition to community organisations, the three levels of government,

labour unions and manufacturers, each of which ‘contributed financially according to their means.’

The 3-part gamble of 1989

In November 1989, the committee made a (controversial) 3-part gamble – that economic and social development were indissociable; that it was possible to maintain an industrial base in the Southwest; and that, given the Southwest’s local solidarity, it made sense for economic renewal to be coordinated by an organisation controlled by local residents. This gave rise to RESO – an unconventional structure, naturally – a non-profit whose administrators were elected representatives of business, unions and local associations. A far more ambitious project than PEP, RESO covered the whole of Southwest Montreal and had a total budget of some \$5 million over five years.

RESO offered a ‘support service for the unemployed’ that furnished each person with a ‘personalised plan’ to keep them from ‘getting lost in the ocean of standards and programs of various levels of government’ but also from ‘experiencing failure due to unrealistic expectations.’ Over 2500 people have already had access to this service.

RESO also manages a fund for labour force adaptation designed specifically for non-standard projects or urgent needs in human resource development. The fund has ‘enabled us to help hundreds of people without high-school diplomas to access training, with a success rate of around 90%’. The basic idea was to bypass regulations that oblige adults to finish high school before they are eligible for vocational training. ‘These folks have experienced terrible failures at school; it is unfair to ask them to return to school with their children.’

Moreover, RESO endeavours to ‘integrate basic education into vocational training, or in other words, to develop a system that recognizes skills acquired during work and life experiences.’ This was the context for the ‘Alphacuisine’ concept, which enables people to acquire literacy skills while training in the field of institutional cooking. ‘Formetal’ is a small metallurgical business created with RESO’s support to instill good work habits into young people with behavioural problems and facilitate their integration into the labour market. Another initiative brings together those who are up to completing their high school education. Homogeneous groups are created on behalf of whom RESO can require school

boards to adapt their pedagogy to an adult clientele that has to ‘relearn how to learn.’

In regard to economic development, RESO is a collaborative structure, fostering, for example, subcontracting by large corporations to local SMEs in order to reinforce the neighbourhood’s industrial infrastructure. ‘It doesn’t necessarily cost anything; sometimes all it takes is to get them together in the same room!’ RESO also facilitates collaboration between unions and management in order to ‘establish a culture of training in local enterprises’, preparing the labour force for technological change and getting employers to renew their old factories rather than move elsewhere. Consumer Glass closed their Candiac factory but modernised the one in the Southwest... ‘Enterprises that feel they are supported by the community are more inclined to give back to the community,’ observes Nancy Neamtan.

Shoot at whatever doesn’t move

‘None of this happens because a politician makes a speech, but because locally there is a convergence of interests to make it happen,’ she declares. But it also happens because someone constantly goes toe-to-toe with civil servants to ‘create room to manoeuvre’. Not with those on the ground, she clarifies, but with ‘middle-management’ that has not been eliminated from the civil service as it has been from the ‘private sector’. Such managers are horrified by exceptions to their rules, and even more so in this time of cutbacks. ‘Faced with budget cuts, their reaction is to intensify what they have always done, that is to say, to tighten control even further’. As much as ‘the role of the civil service is to avoid arbitrary decisions in resource allocation, that is no reason to force everyone to conform to the same standards.’

Some even attempt to reintegrate RESO’s projects into the civil service; normal, says Nancy Neamtan, they need to justify their jobs. For example, in collaboration with the federal, provincial and municipal governments, RESO developed a project to support SMEs. ‘There is now a government institution that is saying, “It is not that your project is without interest but it is our mandate and we will do it ourselves”. But knowing the relationships between the three levels of government, and the jurisdictional conflicts even between two departments of the same level of government, I don’t think that one government body currently has the moral authority

to force the others to work together. We will revert to the old rivalries that are truly counter-productive’.

RESO sees itself as ‘an intermediary between the civil service and the local community’, credible to both sides because ‘we are not polite and docile; we call things what they are and when we disagree, we say so. But for civil servants, our organisation is neither flesh nor fowl. We change, we seize opportunities, we are difficult to categorize or to evaluate’.

And she recounts how a civil servant who annually examines RESO’s utilisation of its funds reproached her for ‘doing too much. You seem to fire at everything that moves!’ Nancy Neamtan confesses that she couldn’t hold back. ‘It was just too much to swallow, so I told him, “No sir, we fire at everything that *doesn’t* move ...”’.

Middle-class brat from Notre-Dame-de-Grâce makes good

The 17-year-old from what she calls a ‘middle class anglophone Jewish community in Notre-Dame-de-Grâce’, hardly spoke a word of French upon arrival at McGill in 1968. A few years later, she was a fiddler in ‘Ruine-babine’, a folk group that had people dancing at the St-Jean-Baptiste Day celebration on Montréal’s Mount Royal.

‘That’s the way I’ve always been: I do nothing by halves,’ she explains with a laugh. After a rather rebellious high school career, the young Nancy Neamtan made her university debut at the same time as the McGill Français movement. ‘I wanted to get involved socially and politically, and at the time nothing of the sort was happening in the anglophone community’, she says.

So she moved to Saint-Henri ‘to learn French’. At first, she continued her studies at McGill and her political activities (with the Workers’ Communist Party). What sort of studies? ‘In nothing’, she says, “I got my education in the street’.

Her volunteer work at Saint-Henri’s Jobless Centre was what set her definitively on the path of community organising. ‘Community organising was not taught in universities’. In such a context, nothing made better sense than fiddling at square dances. ‘It was cultural integration at every level’.

Aside from spending a few years in Toronto’s anti-racist movement in the late 1970’s, she’s been in Southwest Montreal ever since, ‘doing all kinds of things’, she says, but ‘always in community organisations (food

co-ops, defending the rights of welfare recipients, women's groups) and 'through it all, raising a family' (her two children, aged 10 and 7, and those of her husband, 21 and 19).

'Without the opportunity to get on board with economic development in major issues where I always felt I was learning new things, I am not sure that I would have had the patience to keep at the same type of community organising as 15 years ago', she admits. On the other hand, 'had we foreseen that what we began in 1983 would turn into what it is today in the Southwest, I don't know if I would have had the courage! But you push on, you tell yourself this is the way to go, then let yourself be guided by your common sense and values, and at some point things start to happen.'

The lessons of dialectal materialism

Now 42, she measures the road taken in terms of the evolution of her own thinking. 'We began with a small idea in a small neighbourhood, telling ourselves that, since there didn't seem to be any solutions adapted to Pointe-Saint-Charles, maybe we can invent some of our own. And we wind up saying that what's needed is another Quiet Revolution, this time in the way the public sector is organised and in its relationship to civil society!'

So wasn't it time to get into politics and make this revolution happen? No thank you, her early years in the WCP were enough. 'I'm not made for that. Firstly, party discipline would never be my thing – I've had it with that. Furthermore, one of the reasons for our success in the Southwest is that we always stayed well away from partisan politics: we work with anyone that wants to work together, period!'

In any case, she believes, 'this change will happen no matter what party is in power, because there will be enough pressure and enough people applying it in concrete terms across the country'. From this perspective, 'I am more useful doing what I do. To bring about such important changes in the public service and how things get done, solid support has to be built on the ground. That still has a ways to go, but we are making progress; at some point, small quantitative changes transform into qualitative change. That's what I learned from studying dialectical materialism!'

Eventually, perhaps, should new political leaders take the helm, 'I would not totally exclude the possibility of working in the public sector for a time, doing what I think needs doing, so long as there's a real desire

for renewal and a group of people who want to get something done'. But then, she concludes with a laugh, 'No one's asked me. And I am not sure such a profound change is a priority for politicians right now. Until the national question is resolved, we will continue to muddle'.

Appendix 2

Letter of resignation from the Chantier de l'économie sociale

Dear members of the Board of Directors,

Last October 10, the National Assembly unanimously passed Bill 27, framework legislation on the social economy. This legislation constitutes another step in the development of the social economy in Quebec. It imposes on government a series of obligations and creates conditions for an ongoing dialogue with the State regarding the production and consolidation of public policies supportive of collective entrepreneurship.

By recognizing the Chantier de l'économie sociale as one of two principal interlocutors of the Quebec government in terms of the social economy, Bill 27 accords institutional recognition to our organisation. In so doing, it imposes upon us responsibilities and duties that must be carried out with diligence and creativity if we wish to remain faithful to the mission that we espouse.

On a personal level, the passage of this legislation also brings to a conclusion a long reflection on my own role within this organisation that I helped to found. By way of this letter, I would like to share with you the results of this reflection.

A long road travelled

To begin, let me express the pride that I feel for the long road travelled since I unexpectedly found myself president of a working group on the social economy, preparing for the 1996 Summit on the Economy and Employment. The very concept of the social or solidarity economy was little known at the time. Once we had traced its contours, however, we could verify that communities across Quebec were bursting with collective initiatives, old and new, at the grassroots of the economy. Under this conceptual umbrella, and with the support and collaboration of a vast and diverse range of people, we, the members of the working group, imagined and proposed a bundle of initiatives that addressed real needs and created real jobs. Today, they have become some of the social economy's greatest success stories.

Leaving the Summit, everyone realized that, to maintain momentum, the working group had to stick together. It was the nucleus from which emerged the Chantier de l'économie, which was formally incorporated in April 1999, following consultation with actors and partners across Quebec.

What a road we have travelled since 1996! From an ad-hoc working group, the Chantier has become a recognised organisation, the junction of a movement, where a diversity of collective enterprises, individuals, sectoral networks, regional hubs, local development organisations, social movements, First Nations' entities, youth organisations, researchers, institutions of higher learning and many others cross paths and collaborate.

With outside support or sometimes on our own initiative, we have created a great array of powerful tools for the development of the social economy: the Labour Force Sectoral Council on the Social Economy and Community Action (1998), which addressed challenges in workforce development in all its dimensions; the Quebec Social Investment Network (RISQ, 1997) which proved beyond a doubt the pertinence and the possibility of investing in collective enterprises; the Chantier de l'économie Trust (2007), which successfully combined two concepts once considered incompatible, capital and patience; Commerce Solidaire (2011), which finally gave us the capacity to do business on the basis of solidarity in a structured and innovative fashion; and RELIESS (2012), our window on the social and solidarity economy world-wide and point of entry for those who want to know us better.

And finally, in 2011 we witnessed the creation of an organisation for liaison and knowledge transfer in social innovation – TIESS, which has given us wings to fly and an even stronger capacity for development. TIESS provides a fantastic tool for sharing with a range of partners this immense collective intelligence that constitutes the greatest strength of Quebec's social economy movement.

Since its creation, the Chantier has always looked outwards. Our goal has never been to take the place of others or to dictate our will from a hierarchical perspective. Rather, our focus has always been the immense challenge of creating favorable conditions for anyone, anywhere in Quebec, who wants to do business differently. Accordingly, we can feel encouraged – but never satisfied – by the advances we have made together in the field of public policy. The government Action Plan that issues from

Bill 27 hopefully will furnish new tools and new possibilities that enable the social economy to achieve its full potential.

Since its creation, the Chantier has also drawn upon experiences outside of Quebec for inspiration and for learning. We have been witnesses to the emergence of a planetary movement towards a social and solidarity economy whose impacts are reverberating today in international forums such as the United Nations and the European Union. The Chantier's contribution to the construction of this movement, whose magnitude was demonstrated during the International Forum on the Social and Solidarity Economy that we organised in 2011 – this is one of my greatest sources of pride.

A renewed organisation, ready for more challenges

Two years ago, the Board of Directors undertook a process of reflection on the state of our own organisation, our 'chantier on the Chantier'. Fifteen years after the Chantier's creation, it was time to review our mission, our vision, our structures and our operations in order to adapt them to today's reality. This process was crowned with success and over the past year, we have revisited our mission, updated the organisation's mandates, reinforced its democratic mechanics and clarified the rules of governance as well as our relations with our associated, 'kindred' organisations. Internally, we have instituted participatory management. Today, more than ever in the history of the Chantier, the Board of Directors can count on an extremely competent, motivated and unified team. Our relocation to the new 'Social Economy House', a place better adapted to our current and future needs, will bring closure to this successful reorganisation.

One last significant challenge now stands before the Chantier de l'économie sociale, the same that confronts many Quebec organisations, enterprises and institutions. In light of our demography, the challenge is to transition successfully to a new generation of leaders. The goal of the 'chantier sur le Chantier' was to create the conditions for this succession. It is now time for our organisation to take this final step, and replace the first generation of leaders with the next. For this reason, I have made the decision to leave my position as President and Chief Executive Officer of the Chantier, while, with the consent of the Board of Directors, continuing on to a new role in the organisation.

The right time to make room for the next generation

My decision to resign from the leadership of the Chantier by the end of 2014 was not an easy one. I am still committed to continuing my involvement and to support this organisation whose mission is so important to me. But for personal and professional reasons, I believe that it is the right decision.

I will not hide the fact that, after 30 years at the head of diverse organisations (Pointe-Saint-Charles Economic Program, RESO, Chantier), I would like a bit more freedom in the use of my time and in the choice of dossiers and responsibilities that I take on. Heading up an organisation is never easy. But the task is more demanding, I believe, when the organisations are new ones, stemming from citizen mobilisation and intent on social innovation in the economic sphere. And it is still more demanding in view of our long-term mission, to contribute to the emergence of a new development model for a more sustainable Quebec rooted in solidarity.

But the principle reason for my decision is very different again. On the eve of my 63rd year, I am not the least bit interested in removing myself from the action. But I believe that there are appropriate times to make changes in an organisation and 2014 to me seems to be one of those times. For, as I have just explained, the Chantier's affairs are in order both externally and internally. Our movement is gaining strength and our organisation has the benefit of a solid reputation, formidable alliances, dynamic governance structures and a staff team that is stronger than ever. The Chantier is in a position to undertake this change in leadership without compromising its capacity to act. It is an ideal context for change.

For this reason, I have informed the President of the Board of Directors, and then the Executive Committee of my decision. Likewise, I have suggested certain arrangements for this transition that should occur between now and the end of 2014. I have also requested consideration of the possibility that I continue to work for the organisation, concentrating on certain dossiers (knowledge transfer, finance, international relations) while remaining available to advise, do presentations or produce documents if the need presents itself. Until then, I will of course continue in my role as CEO, prioritising the follow-up to the government Action Plan and the Chantier's strategic planning.

I make this decision with serenity but not without some pangs of regret. It has been an immense privilege to head up this organisation and to play the role of spokesperson for this citizens' movement that brings hope to Quebec and the planet. I have been incredibly lucky to be part of the emergence and growth of this movement, which now resonates across every region of Quebec and the world.

Mission accomplished for step one

I think that we can collectively claim 'mission accomplished' for Step One. In 1996, at the creation of the working group, we realized that we were shouldering a challenge that promised to be colossal, to achieve credibility for this approach to development. For this reason, despite the numerous concrete proposals cited therein, the 'Daring Solidarity' report essentially was not project-centred. In fact, its first and foremost recommendations were the following:

- Recognise this report's model of social economy as a component of Quebec's socio-economic structure.
- In regard to major issues in Quebec's socio-economic development, recognise the actors of the social economy as full partners by ensuring their adequate representation in all partnership bodies and collaborative processes.
- Require all ministries and government institutions to recognise social economy organisations and enterprises as fully-fledged participants and to commit to the elimination of normative or administrative barriers that exclude social economy enterprises from certain forms of government support.

To a certain extent, the passage of Bill 27 closes the loop on these key recommendations of the 'Daring Solidarity' report. However, while welcoming the passage of Bill 27, it (as we all know) represents neither a panacea nor a guarantee that things will be easier for those who strive daily to build and develop our economy differently. On the contrary, the years to come will no doubt be still more complex and demanding because our ambitions are greater than ever. More than ever we need an organisation like the Chantier to rally the greatest numbers possible to the pursuit of these ambitions. More than ever we need to root ourselves

in our neighbourhoods, towns and regions, assure the active participation of the many, make room for a diversity of strategies and actors and fight tirelessly to make democracy more than a concept, but a reality in our enterprises and organisations.

I offer my full collaboration in the pursuit of this mission. My role will be different but my commitment remains as strong as ever. It has been an honour and a privilege to assume the role of President and Chief Executive Officer of the Chantier for more than 15 years. I would like to thank all the members of our team and of the Board of Directors for the confidence you have accorded me during those years. I would like to thank in particular Patrick Duguay, President of the Board, who has supported and advised me over the past decade and who consents today to continue his mandate and even to augment it during this transitional period. I would also like to thank all the partners on whom we have been able to rely during these years for help in the further advancement of our projects and our growing aspirations.

Please do not send flowers! I will not disappear! With your consent, I will simply change roles in the Chantier 'gang'. After all, our history has always been just that: a collective work carried forward by a group of women and men committed to building a better future for all.

Thank you for your understanding and looking forward to continuing on down our road together,

Nancy Neamtan

Appendix 3

Abbreviations

ACLQ	Quebec Association of Local Development Centres	Association des centres locales de développement du Québec
ANDLP	National Association of Local Development	Association nationale du développement local et des pays
APNQL	Assembly of First Nations of Quebec and Labrador	Assemblée des Premières Nations Québec-Labrador
AQCPE	Quebec Association of Early Childhood Centres	Association québécoise des centres de la petite enfance
ARUC-ES	Community-University Research Alliance on the Social Economy	Alliance de recherche universités-communautés en économie sociale
ATTAC	Association for the Taxation of Financial Transactions and for Citizen Action	Association pour la taxation des transactions financières et pour l'action citoyenne
CAMO	Committee for Labour Force Adaptation	Comité d'adaptation de la main-d'oeuvre
CCEDNET	Canadian Community Economic Development Network	Réseau canadien de développement économique communautaire
CED	community economic development	le développement économique communautaire
CDEC	Community Economic Development Corporation	Corporation de développement économique communautaire
CDR	Regional Development Cooperative	Coopératives de développement régional
CECI	Centre for International Studies and Cooperation	Centre d'étude et de coopération internationale
CESIM	Montreal social economy hub	Conseil d'économie sociale de l'île de Montréal
CITIES	International Centre for Knowledge Transfer on Innovation and the Social Economy	Centre international de transfert d'innovations et de connaissances en économie sociale et solidaire
CLD	Local Development Centre	Centre local de développement
CLSC	Local Community Service Centre	Centre local de services communautaires
COCDMO	Coalition of Community Organisations for Labour Force Development	Coalition des organismes communautaires pour le développement de la main-d'oeuvre
CPE	Early Childhood Centre	Centre de la petite enfance
CPMT	Labour Market Partnership Commission	Commission des partenaires du marché du travail

CQCM	Quebec Council of Cooperatives and Mutuals	Conseil québécois de la coopération et de la mutualité
CQL	Quebec Council of Recreation	Conseil québécois du loisir
CREEEM	Committee for the Recovery of the Economy and Employment in East Montreal	Comité pour la relance de l'économie et l'emploi dans l'est de Montréal
CREESOM	Committee for Recovery of the Economy and Employment of Southwest Montreal	Comité de relance de l'économie et de l'emploi du sud-ouest de Montréal
CRES	Regional Social Economy Committee	Comité régional d'économie sociale
CRISES	Research Centre on Social Innovation and Social Economy	Centre de recherche sur les innovations sociales
CSMO-ESAC	Sectoral Council on Workforce Development in the Social Economy and Community Sector	Comité sectoriel de main-d'oeuvre en économie sociale et action communautaire
CNTU	Confederation of National Trade Unions	Confédération des syndicats nationaux
ECPAR	Quebec Centre for Responsible Procurement Practices	Espace de concertation sur les pratiques d'approvisionnement responsable
EESAD	Homecare Social Economy Enterprises	Entreprises d'économie sociale en aide domestique
FBDM	Workplace Literacy	Formation de base en milieu de travail
FDEM	Montreal Employment Development Fund	Fonds de développement Emploi-Montréal
FIESS	International Forum on the Social and Solidarity Economy	Forum international de l'économie sociale et solidaire
FLI	Local Investment Fund	Fonds local d'investissement
FQM	Quebec Federation of Municipalities	Fédération québécoise des municipalités
GESQ	Quebec Solidarity Economy Group	Groupe d'économie solidaire du Québec
GRESP	Peruvian Solidarity Economy Group	Groupe en économie sociale du Pérou
IFDEC	Community Economic Development Training Institute	Institut de formation en développement économique communautaire
ILO	International Labour Organisation	Organisation internationale du travail
IQ	Investment Quebec	Investissement Québec
MAMROT	Ministry for Municipal Affairs and Occupation of Territory	Ministère des Affaires municipales, des Régions et de l'Occupation du territoire
MEIE	Minister for Economic Development, Innovation and Export Trade	Ministère du Développement économique, de l'Innovation et de l'Exportation
OECD	Organisation for Economic Co-operation and Development	Organisation de coopération et de développement économiques
OFOJ	Franco-Quebecois Office for Youth	Office franco-québécois pour la jeunesse

OLTIS	Social Innovation Liaison and Knowledge Transfer Centre	Organisme de liaison et de transfert en innovation sociale
PEFSAD	Financial Exemption Program for Domestic Services	Programme d'exonération financière pour les services d'aide domestique
PEP	Pointe-Saint-Charles Economic Program	Programme économique de Pointe-Saint-Charles
PIEC	Collective Enterprise Infrastructure Program	Programme d'immobilisation en entrepreneuriat collectif
QFL	Quebec Workers Federation	Fédération des travailleurs et travailleuses du Québec
RCAAQ	Network of Native Friendship Centres	Regroupement des centres d'amitié autochtones du Québec
RCM	Montreal Citizens' Movement	Rassemblement des citoyens de Montréal
RESO	Coalition for the Economic and Social Renewal of Southwest Montreal	Regroupement pour la relance économique et sociale du Sud-Ouest
RIPESS	International Network for the Promotion of the Social Solidarity Economy	Réseau intercontinental de promotion de l'économie sociale solidaire
RISQ	Quebec Social Investment Network	Réseau d'investissement social du Québec
RQCCT	Quebec Worker Cooperative Network	Réseau québécois des coopérantes et coopérants du travail
RQRP-ES	Quebec Network of Research Partnerships on the Social Economy	Réseau québécois de recherche partenariale en économie sociale
SADC	Community Futures Association	Société d'aide au développement des collectivités
SME	Small- to Medium-sized Enterprise	Petite ou moyenne entreprise
SODIM	Montreal Industrial Development Corporation	Société de développement industriel de Montréal
SQDM	Quebec Society for Labour Force Development	Société québécoise de développement de la main-d'oeuvre
TISS	Innovative Territories in Social and Solidarity Economy	Territoires innovants en économie sociale et solidaire
UMQ	Quebec Union of Municipalities	Union des municipalités du Québec
UQAC	University of Quebec, Chicoutimi campus	Université du Québec à Chicoutimi
UQAM	University of Quebec, Montreal campus	Université du Québec à Montréal
UTILE	Work Unit for the Provision of Student Housing	Unité de travail pour l'implantation de logements étudiants
WSF	World Social Forum	Forum social mondial

Afterword

'To know where you're heading, find out where you've been'.

The adage may seem cliché but nevertheless still holds true. The value of this book is how it traces the foundations of a significant stage in the renewal of Quebec's social economy, this movement for economic democracy anchored in the determination to address the needs and aspirations of communities.

It was my privilege to take part in the adventure of the Chantier de l'économie sociale as a founding member, an administrator and as president of the Board of Directors of this incredible organisation. My involvement in the Chantier was a convergence of heart, mind and passion. The friendships I formed, particularly with my colleague and accomplice, Nancy Neamtan, the extraordinary people I met over the years and the collective accomplishments in which I participated, were worth the time and effort that I devoted to my duties within the movement.

Over the 20 years of my involvement, I had numerous opportunities to present the Quebec experience internationally, and I often wondered what generated so much interest in the story of the Chantier de l'économie sociale. This book helps solve the mystery.

Nancy Neamtan situates the story in local development initiatives, by linking the social economy's trajectory to the birth of community economic development, which so strongly characterised the history of urban neighbourhoods, but also paved the way to local development initiatives that became the Local Development Centres. This approach to development – rooting it in localities – is essential to Quebec's social economy.

Further, the work of the Chantier de l'économie sociale is characterised by partnership among social economy actors. The Chantier is indeed a crossroads: a meeting place for enterprise networks, sectoral associations, social economy development organisations, regions, social movements (particularly the unions and the community movements) and First Nations. This approach to mobilising diverse actors positions

the social economy as a vector for the transformation of the liberal economic development model. This is no small thing ... and the Chantier's specific contribution is to construct an economy based on the values of humanity, democracy and solidarity.

Nancy Neamtan's narrative does not focus simply on the past; the social economy is constantly renewing itself as new actors, new aspirations and new ways of doing things emerge. This book invites us to participate in this vast movement whose ambition is to put economic development at the service of people and not big capital. The social economy movement knows where it is heading!

Patrick Duguay
Board Chair
Chantier de l'économie sociale
2014-2018

Acknowledgements

It would be impossible to list the name of all my accomplices, colleagues and friends over the decades of involvement for the list would fill many pages. It is simpler to underline that this story is also their story and I hope that it reflects, at least partially, what we experienced and built together. A huge collective thank-you to all!

However, first and foremost, I want to thank my family without whom this story would never have taken place : my husband, Victor, my children Melanie, Janson, Louis and Gabrielle, and their spouses who have joined the Neamtan-Lapalme clan over the years, as well as my four grandchildren, Edouard, Nina, Charlotte and Emilio. Without their unfailing support, their unconditional love, their complicity without complacency and their critical thinking, my path would have been very different. Thank you for your formidable capacity to bring me down to earth and to always remind me of the importance of the values we share as a family.

Finally, thank you to the people at CCEDNet, Effet-i, and FIDES for publishing my story, to Don McNair for his patience in revising my English, and my co-conspirators, Margie Mendell, Béatrice Alain, Vincent van Schendel and Michèle Soutière who had the patience to read my manuscript to confirm that I didn't just dream this story!

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Through anecdotes, memories, analysis and lessons learned, this book recounts the experiences of the years 1984-2015 as seen through the eyes of an eyewitness and committed activist. Nancy Neamtan presents a 'short history' of this movement, straight from the shoulder. She talks about successes but also failures, solidarity as well as difficult debates.

It is a story of women and men, of neighbourhoods, communities, and entire regions that questioned the dictates of the professionals and chose instead to innovate for the common good. At a time when the need for ecological and social transformation has grown inescapable, the history, lessons and reflections found here form a valuable contribution to action here and now.

Nancy Neamtan was President and CEO of Chantier de l'économie sociale from 1996 to 2013. Recognized in Quebec and internationally for her role and expertise in the advancement of community economic development, the social economy, social finance and social innovation, she is a recipient of the Order of Quebec and the Order of Canada, in addition to two honorary doctorates.

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