Social Economy Enterprises in Québec

For over a hundred years, the social economy has left its mark on the development of Quebec. Cooperative organizations and enterprises of various shapes and denominations have contributed to the development of a more humane society and economy over the generations.

Now a new generation of social economy enterprises has met with remarkable success in recent years. The list of new projects and their impact on our communities is impressive: early childhood centers, domestic help services, recycling centers, public and community-based housing, social recreation and tourism initiatives, culture, communications, and more.

In the last five years, the bulk of the actions recommended in the “Osons la solidarité” report from the Social Economy Summit have been implemented. Over 30,000 jobs have been created. People have access to valuable new services. Support measures have been developed to back the development of the social economy. A multitude of local initiatives have flourished in a variety of areas. And a culture of collective entrepreneurship sustained by principles of democracy and solidarity has taken root throughout Quebec.

The list of new projects and their impact on our communities is impressive:

• First presented at the Economy and Employment Summit as an experimental social economy project, the early childhood center model spread rapidly with the support of the new government policy on daycare services. Some 130,000 daycare spaces and over 15,000 new jobs have already been created.

• Our stock of residential coops has started to grow once again to meet the particularly acute needs of low incomes earners. Through the Fonds d'habitation communautaire,
projects to add 3,000 social housing units were accepted over the last three years and new initiatives, backed by major investments, will make it possible to triple this amount in the months and years to come.

• In addition to the home care services CLSCs already deliver, four million hours of domestic help are provided each year to 72,000 senior citizens by the 6,000 workers in non-profit and cooperatives homecare agencies.

• Since the launch in December 1999 of the support program for social economy enterprises working in residual material management, 45 non-profit recycling businesses have already been initiated, creating over 900 jobs and extracting new value from thousands of tons of products that would otherwise have been sent to landfills, and further exacerbated the strain on the environment.

• And that is not all. All these projects continue to grow and develop. The same dynamic is at work in a host of other sectors: natural resources, culture, social recreation and tourism, perinatal centers, communications and new technologies, funeral services, youth cooperative services, etc.

Overall in Quebec, the social economy sector (without even counting financial cooperatives, the two largest agricultural coops, or the community action networks) is made up of over 6,200 cooperative and non-profit enterprises that employ 65,000 people and generate over $4.3 billion in sales.

A different kind of enterprise

Social economy enterprises (enterprises established as non-profit organizations or cooperatives) explicitly recognize the social dimension of the economy, as their principles and operating rules demonstrate.
Because they maintain close ties with their local communities and regions, social economy enterprises are often in the best position to recognize and interpret emerging needs and make a concerted effort to meet them. They are the instigators of real social innovation that is often copied by the public sector and the market.

The very nature of their mission leads them to pursue objectives that stem from a different rationality than that of traditional enterprises: social utility, individual and collective empowerment, community revitalization, job creation, etc.

Imbued by a spirit of solidarity, social economy initiatives mobilize human and financial resources that are neglected by others.

Because they do not have to appease shareholders demanding maximum short term returns, social economy enterprises are more able to tie their development strategies and daily activities to objectives of sustainable development.

**The social economy’s contribution to rethinking the development model**

The social economy lies within a broader plural economy that questions the traditional ways of viewing economic development: rather than an "all private" or “all public” approach, room is left for a social economy run by civil society to protect collective interests. The two poles of Market and State are not the only engines of economic and social growth. Recognizing civil society’s contribution to economic and social development leads to the notion of a plural economy more able to use economics as a means to a social end.

Whether for funeral, forestry, or solidarity coops, housing coops, recycling centers, early childhood centers, community media outlets, adapted work centers, cultural activities, or homecare enterprises, the challenge is the same: to guarantee, in a context of market
globalization, a collective say in our resources and in the way our communities’ needs are met.

**Chantier de l’économie sociale**

*Chantier de l’économie sociale* is a permanent independent organization whose goal is to promote and develop the social economy. A non-profit corporation, *Chantier* brings together the promoters of social economy enterprises working in various sectors (the environment, home care services, communications, recreation, housing, natural resources, childhood/family, culture, etc.), local development stakeholders (Local Development Centers, community economic development corporations, etc.), and major social movements (unions, community groups, cultural, ecological, and feminist movements).

**History**

*Chantier de l’économie sociale* was created in March 1996, in leadup to the *Economy and Employment Summit*. Partners at the summit in October 1996 requested that *Chantier de l’économie sociale* continue its work for two years to promote the concept and clarify the role and potential of the social economy, see to the implementation of social economy projects, and contribute to the development of policies and measures necessary to the future development of this sector.

Stakeholders in the social economy then decided in 1998 to make permanent the work group in charge of promoting and developing collective entrepreneurship. *Chantier de l’économie sociale* thus became an independent corporation, with an organizational structure made up of a general assembly and a board of directors of 29 members representing the various stakeholders in the social economy.
Definition of the social economy

As a whole, the social economy refers to the set of activities and organizations stemming from collective entrepreneurship, organized around the following principles and operating rules: 1) the purpose of a social economy enterprise is to serve its members or the community rather than to simply make profits; 2) it operates at arm’s length from the state; 3) it promotes a democratic management process involving all users and workers through its statutes and the way it does business; 4) it defends the primacy of individuals and work over capital in the distribution of its surpluses and revenues; 5) it bases its activities on the principles of participation and individual and collective empowerment.

The social economy therefore encompasses all cooperative and mutual movements and associations. The social economy can be developed in all sectors that meet the needs of the people and the community.