

# Social and solidarity economy: The Quebec experience and ecosystem

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The Quebec social economy: the growth of a movement for economic democracy

# The Quebec social economy: the growth of a movement for economic democracy

A new development paradigm is emerging as the limits of traditional economic strategies become evident.

The Quebec experience is an example of civil society spearheading innovative approaches, combining market state and voluntary resources to respond to the needs of communities.

# The Quebec social economy: the growth of a movement for economic democracy



The models are rooted in the need for sustainable development: social and environmental concerns are embedded in the process of wealth creation. Governments are increasingly interested due to their growing incapacity to progress within traditional frameworks of pure market or direct government intervention.

# THE SOCIAL ECONOMY MOVEMENT: A STRATEGIC ALLIANCE

## The social economy movement has been built of the basis of strategic alliances:

- Community sector
- Labor movement
- Cooperative movement
- Local developement
- Women's movement
- Environmental movement
- Movement for cultural democracy
- First Nations' rights

## QUEBEC SE DEFINITION AND MODEL

#### SOCIAL ECONOMY: THE PRINCIPLES

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

- International recognition the purpose of the enterprise is to meet the needs of its members or the community;
- 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);
- the rules applicable to the enterprise provide for democratic governance by its members;
- the enterprise aspires to economic viability;
- 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;
- 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.

#### SOCIAL ECONOMY: THE PRINCIPLES

For the purposes of the first paragraph, a social purpose is a purpose that is **not centered on monetary profit**, but on service to members or to the community and is characterized, in particular, by an enterprise's contribution to the well-being of its members or the community and to the creation of sustainable high-quality jobs.

A social economy enterprise is an enterprise whose activities consist, in particular, in the **sale or exchange of goods or services**, and which is operated, in accordance with the principles set out in the first paragraph, by:

a cooperative

an association endowed with legal personality

a mutual society

### SOCIAL ECONOMY: THE QUEBEC MODEL

- Recognition of the Role it has played in the province development
- Multifaced economy
- Community-driven and State-enabled
- Sectoral and regional networks



#### **KEY NUMBERS**

#### 2nd Statistical Portrait from 2022, published June 2025 by ISQ

- 11 360 social economy enterprises (SEE)
  - ✓ 8710 OBNL (77%)
  - √ 2420 non-financial coopératives (21%)
  - ✓ 240 financial coopératives or Mutuals (2,1%)
- 248 000 workers across Quebec
- 53,6 G\$ in revenue
- The majority have less than 25 employees
- 79% have been in activity for 15+ years and
   47% are more than 30 years old
- More diverse boards: 55% women, 16% youth (under 35 yo)



### STRUCTURAL STRENGHT



#### WHY IS IT WORKING?

- Innovative financial tolls adapted to collective enterprises
- Local, regional and national organizations devoted to accompanying and supporting collective entrepreneurs
- Sectoral council devoted to labor force development
- Alliances for research and knowledge transfer
- Platforms to promote and sell goods and services produced by social economy enterprises

### THE QUEBEC REALITY

#### Examples of public policy favorable to Social Economy:

- 1996: Summit on Economy and Employment: recognition and support for major sectoral initiatives (homecare, daycare, housing, recycling, etc.) and access to loan guarantees and investment funds
- 1998: creation of local development centers with mandates to support and finance collective entrepreneurship (abolished in 2015 with responsibility transferred to municipalities)
- 2006 Summit to reinforce the identity of the Quebec Social Economy
- 2007 : first government action plan for collective entrepreneurship
- 2013: Framework legislation (more details in the next slide)
- 2015-2020 and 2020-2025 specific government action plans
- May of 2025 Social Economy Summit visions for 2050
- July of 2025 announcement of the new 2025-2030 government action plan (negociation are undergoing for application)

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# PUBLIC POLICY: Framework legislation on the social economy (2013)

- Recognition of the Chantier and CQCM as representatives
- Obligation for all ministries and government bodies to take into account the social economy in programs and strategies
- Opening up all mesures for private sector compagnies to social economy enterprises
- Creation of a permanent partnership committee to follow up the application of the law and promote new development

#### Role of other Government bodies

Federal government: filling the gaps

- Initiative to prepare SEE for future investment (2 rounds)
- Financing of a human ressources capacity to support te growth of the Social economy when it is multi-sector and/or multi regional.

Municipal and regional governments: mutual benefits

- Many local needs can be better answered by SEE at a lower cost a natural win-win partnership for the cities and MRCs (reg. gov).
- Larger cities have started to adopt specific policies to give advantage to SEEs when biding offers are submitted. It also allows for easier public/SEE share of responsabilities
- Some regional SE structures are partly financed by cities or MRC to promote Social economy.
- Partnership City of Montreal and Chantier for major SE event (2025), but also copresiding North America GSEF together..

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### THE NETWORK

### Regional and sectorial representation

#### Regional:

22 hubs (19 regional and 3 indigeonous representation)

#### Sectors:

- Grassroot organizations that are created by social economy enterprises with similar missions.
- Recognition from the government comes with specific programs and sometimes with administrative funds.
- They benefit from structuring measures that are part of the government dedicated action plan.
- In some cases they serve their members (act as federation) and in other cases they are dedicated to concertation..

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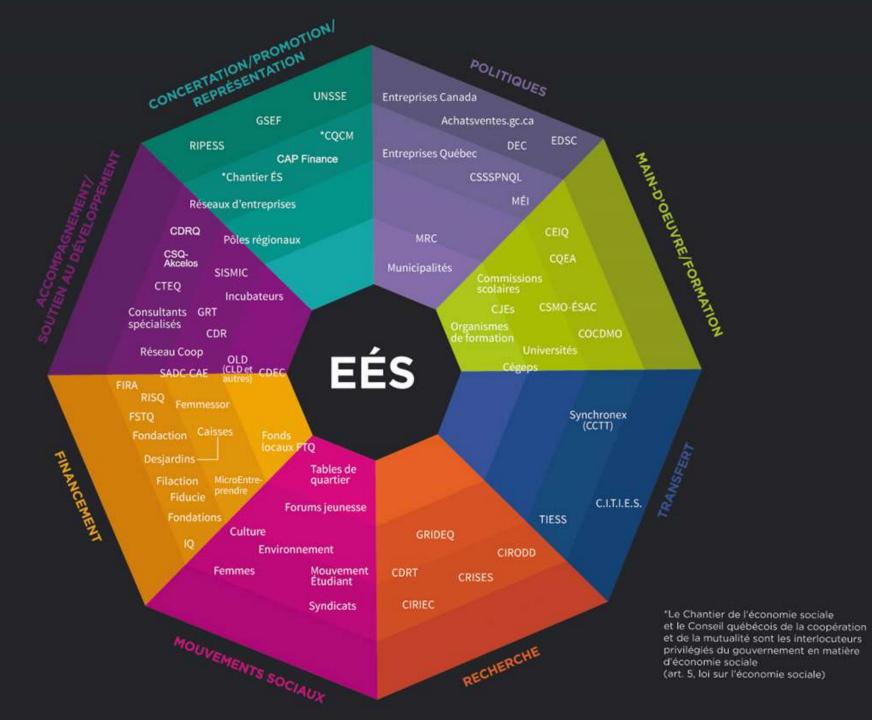
# NATIONAL STRUCTURES THAT SUPPORTS SSE

- Chantier de l'économie sociale (more details in the next section)
- Comité sectoriel de main-d'œuvre de l'économie sociale et de l'action communautaire (CSMO-ESAC)
- Territoires innovants en économie sociale et solidaire (<u>TIESS</u>)
- Commerce solidaire (regroupement d'achats)
- Réseau d'investissement social du Québec (RISQ)
- Fiducie du Chantier de l'économie sociale
- Réseau Coop for worker's coop
- Coopérative de développement régional du Québec (CDRQ)
- And all the cooperative federations members of the Conseil québécois de la coopération et de la mutualité (<u>CQCM</u>)

### ÉCOSYSTÈME QUÉBÉCOIS DE L'ÉCONOMIE SOCIALE

LÉGENDE: NIVEAU GÉOGRAPHIQUE D'INTERVENTION







### **CHALLENGES**

#### **FUNDING CHALLENGE**

- More funds are dedicated to a continuum of services, making it mandatory for organizations to dedicate more time to concertation and mutualization.
- Many actors are specializing supporting specific clientele.
   Funds are available with dedicaded envelopes from governmental projects and are usually only available for a few years. Searching for financing to continue servicing or funding deserving groups are time consuming.
- Diversification of revenues is often made on a project basis, therefore it is hard to offer permament employment rather than contractual work to qualified workers.

#### **GROWTH CHALLENGE**

- Scaling up of the movement and businesses
- Reconfiguring the ecosystem of support and assistance for social entrepreneurship
- Positioning vs. social entrepreneurship/social innovation
- New places of emergence/new entrepreneurs
- New government strategies

#### **SOCIAL CHALLENGE**

- Demographic rapid changes (new perspectives to take into consideration)
- Appealing to a diversity of actors to be up to date on our fights against inequalities
- Sustainable development of the activities
- Business transfer from private to social enterprises
- Impact monitoring and social finance
- Useful development of social innovation resources.

## THE CHANTIER DE L'ÉCONOMIE SOCIALE

#### Chantier de l'économie sociale

#### **Core business**

Bring together actors to promote and develop the social economy

#### **Mandates**

- Gather territorial and sectoral stakeholders of the social economy and their partners
- Promote social economy as a tool for economic and social transformation
- Create conditions and tools to foster experimentation, development and consolidation of new sectors and projects
- Participate in the construction of alliances with other socioeconomic partners engaged in transforming our model of development

# Board of the Chantier

 Electoral colleges (Pôles, Networks of enterprises, Support organizations, Social movements, Unions, Youth, First Nations, etc.)

**Sectoral networks** 5 seats

**Regional networks** 5 seats

**Social movements** 

5 seats (including 2 for labour movements) Support structures for SEEs (3) and non-networked SEEs (2)

Indigenous organisations 1 seat

Youth Wing 1 seat

#### **Observers to the board (non-elected)**

Comité sectoriel de main-d'œuvre de l'économie sociale et de l'action communautaire (CSMO-ÉSAC)

Fiducie du Chantier de l'économie sociale

Réseau d'investissement social du Québec (RISQ)

Territoires innovants en économie sociale et solidaire (TIESS)

Commerce solidaire

**CAP Finance** 

• Permanent and ad-hoc committees contributing to strategic planning and community engagement

#### **SOME INITIATIVES**





This logo allows collective enterprises to display themselves, and the public to easily identify them. The logo is intended to be an additional tool to promote collective enterprises and illustrate their added value.

www.logo-es.quebec



Akcel acheteurs is the first Quebec online directory intended for people responsible for procurement who wish to integrate the purchase of local products and services from the social economy into their practices

#### **SOME INITIATIVES**





The ampli program aims at promoting and supporting community financing for nonprofits and coop, through community bonds and preferred shares. It comes with an additional financing from le fonds l'ampli operated by le RISQ.



The Initiative Immobiliere is a joint initiative with several stakeholders of the ecosystem to help nonprofits fight tenant insecurity and purchase real estate property through innovative financing solutions,

#### **Pre Summit Mobilization**



### TOURNÉE NATIONALE DES RÉGIONS ET DES SECTEURS

Lancée le 11 mai 2023, la grande Tournée nationale – Direction Sommet ÉS – s'est poursuivie tout au long de l'année. Rappelons que cette tournée avait pour objectif de faire le tour de toutes les régions du Québec et de rencontrer les réseaux sectoriels afin de concerter le mouvement de l'économie sociale pour en ressortir les meilleures idées et initiatives qui pourraient répondre aux défis du Québec. Cette grande mobilisation s'organisait autour de plusieurs questions à laquelle l'économie sociale a souvent des réponses : quels genres de solutions émergent lorsqu'on se tourne vers les citoyennes et citoyens, vers les municipalités, vers les entrepreneurs collectifs et le territoire dans lesquels ils sont ancrès et qu'on leur demande de réfléchir, collectivement, à des solutions aux problèmes des communautés à travers le Québec? Les objectifs principaux étaient donc.

- Mobiliser les acteurs économiques, sociaux et politiques afin de faire émerger les innovations collectives qui règlent des problèmes concrets auxquels font face les Québécoises et Québécois.
- Réaffirmer, d'une voix commune, les ambitions du mouvement en tant que troisième piller du développement économique québécois.

#### QUELQUES DONNÉES

29

étapes régionales et sectorielles

2500

personnes mobilisées lentrepreneurs, professionnels, citoyens, étu.es etc.)

Une centaine

La Tournée des régions et des secteurs à contribué à la construction d'une vision de l'économie sociale appropriée non seulement pour s'adapter aux transformations sociales en cours mais aussi pour contribuer significativement à la transition sociale et écologique.

Une

cinquantaine

d'entreprises d'économie

#### 2023 - 2025

Mobilising the social economy to clarify our vision of the future, and to identify means to support our ambition and our capacity to contribute to this vision:

- 29 regional and sectoral meetings
- 8 420km covered
- 2 500 people met (entrepreneurs, support actors, citizens, elected officials)

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#### **An historic Summit!**

#### Spring 2025

Organizing an historic Social Economy Summit in May 2025!

#### In order to:

- Reaffirm our existence, identity and ambition
- Actualize certain aspects of our identity:
   Who we are and what unites us. What is our vision for 2050?
- Increase our capacity to contribute to a just and sustainable transition of our economy



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#### **LESSONS FORM THE SUMMIT**

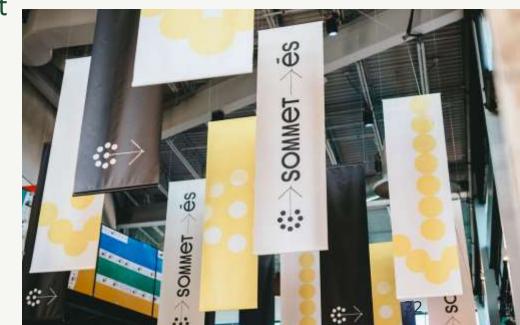
#### From the preparatory work:

- The economic context in Quebec is evolving
- The social context in Quebec is evolving
- The questions about how we measure success are more important than ever
- Will and capacity to contribute to new solutions varies

#### From the event:

- Widespread and diverse mobilization was key
- A Summit organized and financed by the social economy

The social economy: a non-partisan yet political movement



# Thank you!