Community-based Poverty Reduction: The Québec Experience

by

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**Foreword**

Early this year, the Caledon Institute of Social Policy commissioned my worker co-operative, *La Coopérative de consultation en développement La Clé*, to produce five case studies of organizations involved in community-based poverty reduction activities in Québec. The purpose of this document is to provide background information to readers of the case studies who may be less familiar with the Québec context.

To grasp the Québec experience with community-based poverty reduction, I believe that one needs some knowledge about the following:

a) Québec history and culture  
b) the public health and welfare system here  
c) community organizations in Québec as well as its women’s and labour movements  
d) the various strategies put forward by the Québec government since the mid-1960s to alleviate poverty  
e) theoretical constructs such as social development and the social economy.

This paper attempts to shed light on these subjects. However, what follows is neither a comprehensive nor an exhaustive portrait of the Québec context. It offers basic information deemed helpful for appreciating the community-based poverty reduction initiatives presented in the case studies.
**Abbreviations and acronyms**

CDC  community development corporation *(corporation de développement communautaire)*  
CDEC community economic development corporation *(corporation de développement économique communautaire)*  
CED  community economic development  
CEDEC  Community Economic Development and Employability Committee  
CJE  youth employment centre *(Carrefour Jeunesse-emploi)*  
CLD  local development centre *(centre local de développement)*  
CLE  local employment centre *(centre local d’emploi)*  
CLSC  local community service centre *(centre local de services communautaires)*  
CNTU  Confederation of National Trade Unions *(Confédération des syndicats nationaux)*  
CRD  regional development council *(conseil régional de développement)*  
CRES  social economy regional committee *(comité régional d’économie sociale)*  
CSBE  Québec Health and Welfare Council *(Conseil de la santé et du bien-être)*  
FFQ  Québec Women’s Federation *(Fédération des femmes du Québec)*  
HRDC  Human Resources Development Canada  
MESSQ  Ministry of Employment and of Social Solidarity of Québec *(Ministère de l’Emploi et de la Solidarité sociale)*  
MRC  regional county municipality *(municipalité régionale de comté)*  
MRQ  Ministry of Regions of Québec *(Ministère des Régions du Québec)*  
QFL  Québec Federation of Labour *(Fédération des travailleurs et travailleuses du Québec)*  
RQVVS  Québec Network of Healthy Cities and Villages *(Réseau québécois de Villes et Villages en santé)*  
RRSSS  regional health and social services board *(régie régionale de la santé et des services sociaux)*  
SACA  Secretariat for Non-Governmental Community Action *(Secrétariat à l’Action communautaire autonome du Québec)*  
SADC  Community Futures Committee or Community Futures Development Corporation *(société d’aide au développement des collectivités)*  
SHQ  Québec Housing Authority *(Société d’habitation du Québec)*
Population and territorial organization

In 2001, Québec had a population of 7,455,208.¹ Some 80 percent of Québécois live in cities along the St Lawrence River. The six largest urban centres are: Montréal (3.544 million), Québec City (734,583), Gatineau, which used to be called Hull (265,107), Sherbrooke (208,119), Trois-Rivières (158,073) and Saguenay, which used to be called Chicoutimi-Jonquière (157,375).² Cities and towns in Québec, except for the three largest ones, are grouped geographically into 96 regional county municipalities (MRCs).³ The term ‘local’ generally refers to an MRC or to a large urban neighbourhood or town.

The Québec National Assembly limits the powers exercised by municipalities to specific fields: finance, general administration, the environment, public sanitation, health and welfare, recreation and culture, territorial organization, the protection of property and persons, transportation, the road system, urban planning and territorial development. MRCs are responsible for land use (by means of a development plan) and for adopting local development guidelines to be implemented by local development centres (CLDs).

Québec is also divided into 17 administrative regions and the term ‘regional’ usually refers to these territorial divisions.

The ‘Quiet Revolution’ (1960-66)

The Quiet Revolution brought about significant reversals of thought and perception throughout Québec through a rejection of the conservatism and anti-statism of the preceding Duplessis era. It occurred at the same time as the Second Vatican Council. Both shattered the traditional structure of authority in Québec, especially that of the rigidly hierarchic Roman Catholic Church. Of note relating to poverty reduction is the fact that the former paved the way for secular institutions to replace religious ones in the health and welfare realm. Hospitals, social service agencies and community services had heretofore generally been owned and governed by religious orders or structures. The Quiet Revolution also introduced new public institutions such as local community services centres (CLSCs). As for Vatican II, in its wake it spawned a bastion of progressive religious activists who embraced participatory strategies such as community development and who rejected conservative religious values, replacing them with those associated with liberation theology and ecumenical practices. This may explain why faith-based development as articulated today is generally not well received in Québec.
Culture

Approximately six million Québécois are French-speaking descendants of seventeenth and eighteenth century French colonialists and most Québécois (83 percent) use French regularly when not exclusively in daily life. In 1996, 56.1 percent of the population spoke only French and 5.1 percent only English. The illiteracy rate among Québec Francophones is high and generally speaking, whether French or English, the poor are most often both illiterate and unilingual.

Cultural diversity is mainly a Montréal phenomenon, with few non-European immigrants and especially non-Francophones settling down elsewhere. There are also some 72,430 Native people in Québec, of which 8,600 are Inuit and the remainder belonging to ten First Nations.

Francophone intellectuals generally have a greater affinity for research emanating from Latin countries, especially French and Spanish literature in Europe, Central America and South America, and generally are less aware of Canadian and US practices than are Québec Anglophone intellectuals.

The legal system in Québec is based on a Civil Code (as opposed to common law everywhere else in Canada). This results in collective rights superceding individual ones. State responsibility is not seen negatively and, as a consequence, Québec legislation is often more progressive (young offenders, child care, housing co-ops) but not always (workfare).

Québec also collects its own income taxes (the federal government does so on behalf of the other provinces), has its own police force (eight of the other provinces rely on the Royal Canadian Mounted Police) and administers most of its social programs, such as the Québec Pension Plan (the other provinces participate in the federally-managed Canada Pension Plan).

Economic development

The Quiet Revolution also engendered what some call the Québec model of economic development with the setting up of crown corporations in strategic economic sectors in the early 1960s. Today, Québec has the largest concentration of co-operatives and crown corporations in Canada. The model is characterized by an economic structure made up of a complex network and interaction of co-operative, state and private institutions and businesses, which has produced a social climate of consensus and commitment among members of these networks. When reference is made to the private sector in Québec, included at the national level are co-operatives and public institutions active in strongly competitive sectors. At the local and regional levels, the expression generally refers to small and medium-sized businesses, production and financial co-ops and manufacturing units of large corporations.
The Québec Ministry of Regions (MRQ) oversees and ensures the application of the Québec government’s Policy Supporting Local and Regional Development and the Social Economy, the legislation that sets out the roles, responsibilities and composition of local and regional development organizations (CLDs, CRDs), and it contributes to their funding – and hence, to that of Québec’s community economic development corporations (CDECs). The MRQ also directly finances rural development agents and innovative projects.

**Health and welfare**

Québec’s health and social services system encompasses more than 480 public and private establishment and several hundred medical clinics. It employs nearly 17 percent of the Québec labour force. A unique feature is the network of 148 publicly funded local community service centres (CLSCs) that primarily offer day-to-day preventive, curative, rehabilitation and reintegration health care and social services, but that also employ 350 community organizers. Another 40 publicly paid community organizers work in Aboriginal communities. Almost all of these people have been active in setting up community-based organizations and community economic development initiatives. Many predominantly Anglophone communities have not tapped into the CLSC community organizing network. Instead, and to a certain extent duplicating existing provincial services, the Government of Canada, through Canadian Heritage, funds Regional Economic Development Officers who work with community-based volunteer committees known as Community Economic Development and Employability Committees (CEDECs) in eight regions of Québec to raise community awareness, mobilize segments of the community, and facilitate action.

On a regional level, community-based organizations and women’s groups are represented on the regional health and social services council (RRSSS) boards and committees. Moreover, public health departments affiliated with the RRSSS have, of late, begun looking into community development and social development strategies to increase the effectiveness of health promotion and prevention programs. Indeed, the Québec Ministry of Health and Social Services supports the Québec Network of Healthy Cities and Villages (RQVVS), part of the World Health Organization movement of Healthy Cities and Towns that puts forward such strategies. Also, social development, as espoused by the Québec Health and Welfare Council (CSBE), is seen as a promising poverty-reduction approach.

The general mandate of the Ministry of Employment and of Social Solidarity of Québec (MSSQ) is to support people who are physically able to work but who do not, with a clear focus on assisting them in integrating or reintegrating into the labour market. Through its Emploi-Québec component, it operates local employment centres (CLEs) in each of Québec’s principal cities. CLEs are single-window service providers for people seeking or receiving welfare, for recipients of Employment Insurance benefits, for anyone looking for work (including students) and for employ-
ers and enterprises that have jobs to offer. Emploi-Québec also funds more than 46\textsuperscript{11} life skills and job readiness training organizations and 48\textsuperscript{12} job finding clubs, most of which provide services to specific target groups of individuals seeking to integrate or reintegrate into the labour market. It also supports 106\textsuperscript{13} youth employment centres (CJE\textsc{s}) that offer a variety of school dropout prevention activities, job skills development and business development programs, as well as accredited training businesses. Emploi-Québec oversees the implementation of legislation requiring major employers to allocate at least one percent of payroll costs to training of their personnel and of various tax credit schemes related to on-the-job and other professional training activities.

The MSSQ finances poverty alleviation projects out of a special fund set up following the 1996 Socio-Economic Summit, as well as welfare-to-work programs out of its own budget. It is also responsible for the Secretariat for Non-Governmental Community Action (SACA), an agency that finances community groups and organizations from a share of Loto-Québec profits.

Québec has maintained state funding for housing co-ops and nonprofits – there are now about 1,047 – as well as for the 20 or so technical assistance providers through programs administered by the Société d’habitation du Québec (SHQ). Throughout Québec, there are over 120,000 units of social housing of some kind (including municipally-owned low-income housing) that are home to more than 200,000 Québécois.\textsuperscript{14}

\textbf{Community organizations and related social movements}

Democratically-controlled, community-based organizations in Québec have been called community groups, alternative service organizations, communitarian and popular organizations and popular groups. They include advocacy groups, not-for-profit service organizations, and private community-based social service agencies, other community-based organizations including some environmental groups and Third World solidarity groups, and their related federations, umbrella groups and coalitions. There are approximately 8,000 of these in Québec, of which about 4,000 are part of the ‘autonomous’ communitarian movement.\textsuperscript{15} They are active in all walks of life and most belong to one of 30 sectoral umbrella groups.

Many have grouped together locally as well and formed community development corporations (CDC\textsc{s}), mainly outside Montréal. There are 40 CDC\textsc{s} in all, 35\textsuperscript{16} of which are financed by the SACA. Each CDC brings together various community groups and agencies to enable them to participate in their community’s development, through such venues as CLD board membership where CDC representatives generally promote comprehensive and sustainable approaches to local economic development, the development of social economy initiatives, and social development in general.
Roughly 40 percent of Québec’s labour force belongs to a trade union, compared to 32 percent in Canada overall. Some trade unions in Québec, the Confederation of National Trade Unions (CNTU) in particular, have a long history of working closely with community groups and, more recently, with social economy enterprises, and of participating in local development organizations and CED intermediary organizations, mainly CDECs. Indeed, there is a 30-year old tradition of tripartite – state, labour, private sector (including co-operatives) – co-operation, especially on the regional and national levels.

The women’s movement is strong and well structured in Québec. Moreover, renewed interest in the social economy was triggered by the Women’s March Against Poverty in late spring of 1995, organized by the Fédération des femmes du Québec (FFQ). The FFQ was also instrumental in establishing the World March of Women in 2000 that focused on the struggle against poverty and violence against women, and has been active in the strategic planning and the consolidation of the international network that emanated from the World March. The women’s movement participation in CED and other local development organizations has been sparse over the years, even though a number of community economic development corporations (CDEC) have women as directors or as key staff. According to a recent study, 25 percent of CLD board members are women, but not all of them emanate from women’s groups. On the other hand, the women’s movement’s prime focus on poverty reduction has led it to participate actively in the social economy regional committees (CRES) and in setting up a number of social economy initiatives. This is somewhat surprising considering that the women’s movement has been among the more critical voices of the social economy here, wary of ghettoizing traditionally female employment sectors in low-wage settings.

Evolution of Québec government policies toward poverty reduction

Since the mid-1960s, the Québec government has put forward the following development policies to reduce territorial inequalities and alleviate poverty:

- regional development in the early 1960s which has evolved in the past 15 years from having a focus on reducing disparities between different geographic regions to being centred on exploiting regional competitive advantages, overseeing the implementation of decentralized provincial programs, and coordinating local development efforts

- community development in the late 1960s, originally a comprehensive strategy based on participation to improve local quality of life but which has since evolved into a more narrowly perceived development of municipal structures and infrastructures by city governments and of human and cultural services by community groups
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- local development in the late 1970s, originally focused on improving the local economy but which has since evolved, for many progressive leaders, into a more comprehensive approach akin to community economic development (CED) (which emerged in the mid-1980s and which is still not officially sanctioned or supported by the Québec government)

- workfare in the late 1980s whereby welfare recipients are required to attend job orientation sessions, look for work, participate in job clubs, work with job counsellors and accept jobs that they might not otherwise have taken as a condition of aid (with penalties for non-compliance)

- the social economy, following the Women’s March Against Poverty in the mid-1990s

- social development at about the same time

- partnership-based local and regional development in the late 1990s which included defined roles for regional development councils (CRD) and new local development organizations (CLD)

- in the last couple of years, rural development with local rural compacts, targeted programs for specific population groups (such as youth) and comprehensive legislation with the adoption of “a framework law that includes a National Strategy to Combat Poverty and Social Exclusion, a fund to support social initiatives, an ‘Observatory’ and an Advisory Committee on the Prevention of Poverty and Social Exclusion.”

Local and community economic development

Pursuant to legislation adopted in 1997, 102 local development centres (CLD) have been established all across Québec. In Montréal, eight CDECs have been mandated to play the role of a CLD in each of their respective neighbourhoods.

CLDs are nonprofit, multi-service outlets for job creation projects offering technical assistance and referral services to new and existing businesses, including social economy enterprises as well as entrepreneurship training. CLDs also have specific local investment funds or administer programs that provide financial assistance to conventional businesses, self-employed individuals, social economy enterprises and start-ups of businesses by young people. CLDs are governed by a board of directors that varies according to the different economic and labour market partners present in each local community, including local municipalities as well as stakeholders in the social economy, such as women’s groups and community organizations. It is impossible to know how many CLDs have adopted comprehensive approaches to economic development in their strategic plans.
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Currently, there are 15 members of the Inter-CDEC, a coalition of existing and emerging community economic development corporations (CDEC): 11 are located on the Island of Montréal and one each in Gatineau, Québec City, Sherbrooke and Trois-Rivières. CDECs share certain characteristics with CLDs such as MRQ funding, a governance structure based on sectoral partnerships and the offering of business development services. However, the mission of a CDEC is inherently more comprehensive and may include activities related to human resources development, urban planning and land use, and various social issues affecting the community. Moreover, most CDECs have some kind of membership structure to ensure community participation. CDECs not recognized as CLDs co-exist alongside these latter organizations in their neighbourhoods and towns, usually in urban areas where CLDs limit themselves to business development – some rather harmoniously but not all, unfortunately.

There are currently also 57 federally funded Community Futures Committees (SADC) in Québec, mainly in small towns and rural communities that are or have been economically disadvantaged. Since the advent of CLDs, most SADCs have reverted to offering business development and financing services only.

Recent studies indicate that there exist in Québec:

- 874 caisses populaires (financial services co-operatives) present in most large urban neighbourhoods and rural communities, and 120 credit unions (primarily workplace-based)
- more than 1,620 consumer co-operatives of which 78 are in the food industry, including natural foods, about 40 in funeral services, and approximately 100 school-based co-operatives
- 197 production co-operatives, three-quarters of which are in the food industry
- 217 worker co-operatives, a quarter of which are in the forestry sector with another one-quarter offering personal home care services
- an additional 60 nonprofit home care service enterprises, most of which are less than two years old
- an unknown but considerable number of nonprofit businesses in other fields, such as the arts, leisure and recycling, including more than 930 child care centres and agencies in 2001
- 52 worker-shareholder co-operatives, through which workers hold a percentage of their employer’s voting stock
- some 114 youth job co-operatives that seek to promote the social and economic integration of a dozen youth aged 14 to 17 through the running of a co-operative business, usually as summer projects lasting from 16 to 18 weeks, but sometimes operating year-round
• a few emerging solidarity co-operatives, based on an Italian model, wherein two groups of members must be present in its governance structure – users of services provided and workers – and wherein a third membership group is also possible, one that brings together outside individuals or organizations that have a vested social or economic interest in the co-operative’s success. This third group can be made up of community members who are neither workers nor users, suppliers, representatives of key players or others with a significant interest in the co-operative’s activities.

About 40 percent of risk capital funds available in Canada are situated in Québec and Québec also ranks first in regional, local and community development funds. Indeed, every CLD and SADC has a loan fund for both conventional businesses and social economy enterprises, and some Montréal CDECs have access to special job creation funds for their initiatives. One CDEC even has its own multi-million dollar investment fund. Although many of these funds are in competition, they are significantly different from one another in the territory they cover (region, MRC, local community, cultural community) and in the size of their financial participation in the enterprise. Moreover, many explicitly target certain types of ventures, notably high-tech start-ups and social economy enterprises.

For example, the huge Québec Federation of Labour (QFL) Solidarity Fund ($4.3 billion) has been active in saving jobs in the private sector, primarily where QFL members’ jobs are at stake. The much smaller FondAction ($221.3 million) concentrates primarily on smaller initiatives, especially those in the social economy, in tandem with the CNTU’s co-operative development consulting arm. The even smaller RISQ, the Québec Social Investment Network ($23 million), offers financing and technical assistance in conjunction with CLDs to emerging social economy enterprises.

There are also 15 regional development councils (CRDs) in Québec that play a strategic role in harmonizing local development plans. While CLDs are not formally represented on CRD boards, each of the different local partners (e.g., private sector, labour, community groups, MRCs) does have a seat on the boards of these regional authorities. Also included are locally elected officials, including mayors, city councillors and members of Québec’s National Assembly. Excluded, however, are development organizations funded by the federal government, such as SADCs and members of Parliament. Most of the organizations in the various nongovernmental sectors have established regional networks that strategically plan their participation on CRD boards and committees. In some cases, there are also formal sectoral bodies affiliated to CRDs, most notably the social economy regional committees (CRES). There is thus an interweaving of strategic regional and local planning, information and decisions, both by sector and by territory. It should be noted that each CRD has an investment fund for innovative projects that also serves as a foundation for future development.
Key theoretical constructs

Social development

At the heart of social development as it is seen in Québec are the reconciliation of individual and collective welfare; the development of human potential; individual self-determination; the active participation of individuals in decisions that concern or affect them; and a development of communities that respects cultural differences. Social participation and social inclusion are key goals.

Social economy

In Québec, a distinction is made between the older generation of co-operatives active in strongly competitive sectors and a new one generally referred to as the social economy. Overall, the social economy is characterized by nonprofit or co-operative initiatives that combine a mix of commercial activities (self-financing through sales), non-commercial but monetary activities (public funding, donations from churches, foundations and other institutions) and non-monetary activities (voluntary work and in-kind donations by members and other supporters). The Québec government sees the social economy through a poverty reduction lens whereas activists and scholars see it as the development of a reciprocal economy – i.e., one based on solidarity rather than exclusively on competition.
Endnotes


8  Ibid.


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28 Ibid.


