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DE L'ÉCONOMIE SOCIALE

An inclusive recovery: tackling disadvantage in a new economic context

Forum on Partnerships and Local Governance
OECD
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ÇA PARLE D'ARGENT ET DE VALEURS HUMAINES.

Have we learned any lessons?

- Cyclical economic crises, the recent financial crisis and the environmental crisis raise certain fundamental questions
- Social innovation and changing the way we work together must become a priority

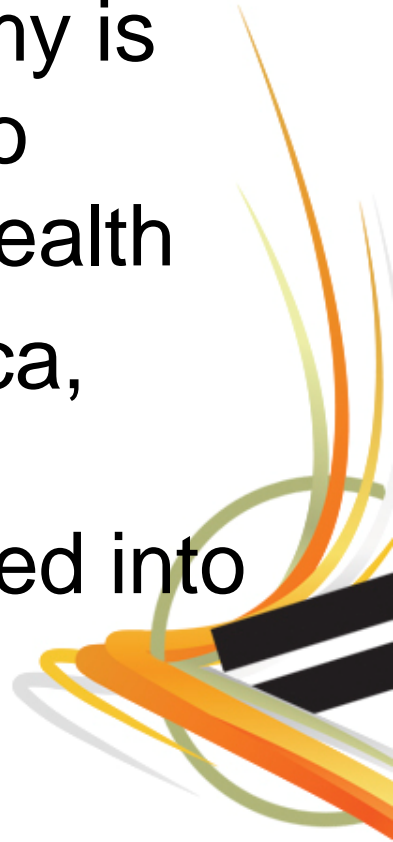


An emerging reality whose time has come

- The Forum on Social Innovations (OECD) an important meeting place for new ideas has played a key role in positioning the social economy
- Other international bodies (ILO, UNDP) are beginning to position the social economy as a response to the global crisis

A grassroots entrepreneurial movement

- Across the planet the social economy is emerging as an essential strategy to create jobs and create and share wealth
- In OECD member countries, in Africa, Latin America and Asia, the social-solidarity economy is being integrated into overall strategies for economic development and job creation




A diversity of terminologies

- Social economy
- Solidarity economy
- Social enterprise
- Community business
- Cooperatives, mutuals,
- Enterprising non-profits



A common reality


- Community-based enterprises (principally cooperatives, non-profits, mutuals) producing goods or services with a social and economic mission
 - Independent of the State
 - Democratic control and transparency
 - Primacy of people over capital
 - Distribution of surplus to members and/or the community
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Contribution of the social economy to economic recovery


- Job creation
- Creation of new services
- Urban revitalisation
- Rural development
- Social integration
- Sustainable development
- Formalisation of the informal economy



Strengths of the social economy

- Capacity to identify emerging needs (environment, personal services, culture, social services)
 - Durability: higher survival rate than traditional SME
 - Financial and social return on investment
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Strengths of the social economy (2)

- Capacity to combine public, private and non-market (voluntary) resources
 - Builds social cohesion
 - Mobilises untapped entrepreneurial capacities within social movements
 - Rooted in communities and contributes to local development
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The role of the social economy in job creation

Some statistics

- Japan: rapid growth of non-profits (1 176 in 1999, 30,000 in 2008)
 - Estimate of 61,800 social enterprises in England (2009)
 - Italy: 15,000 social enterprises (350,000 employees, 10 billion EUR economic turnover)
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The role of the social economy in job creation

Some statistics

- Europe: over 11 million paid employees in the social economy (6% of the working population)
- Canada: over 1 million paid employees in the non-profit sector



The role of the social economy in job creation

Structuring unstructured or informal sectors

- *Recent examples from Quebec:*
 - Public policy in favour of the social economy has supported the creation of 45,000 jobs in parent controlled non-profit daycare and has had a positive impact on the level of participation of women in the labour market
 - 6000 new jobs (majority former welfare recipients) in social economy enterprises offering homecare to the elderly

The role of the social economy in job creation

Stronger job creation than public or private sector:

In France:

- between 2001 and 2006, 2,6% increase in jobs (1,1% in the private sector and 2,1 in the public sector)
- 2005-2006 : 4,2% increase (1,9% in the overall economy)

In Québec

- between 2003 and 2007, 12,4% increase in jobs in cooperatives (3,1% annually) vs 6,1% in the overall economy

The role of the social economy in job creation

Integration of marginalised groups:

Examples from Italy:

- Social cooperatives create employment for marginalised groups (handicaped, former prisoners, people living with problems of mental health, addiction etc)
- 350,000 jobs in social cooperatives over the past 15 years

Enabling conditions for job creation within the social economy

- New forms of governance
- Recognition and legitimacy
- Access to capital
- Support for research and development



New forms of governance

- More than enterprise development, the social economy is a manifestation of new relations between the market, the public sector and civil society
- Requires new spaces for dialogue (intermediaries) and new forms of partnership between government and civil society




Recognition and legitimacy

- an essential component of a pluralist economy (not a by-product of the private sector or an offshoot of the public sector)
- Need for policies, programs and tools adapted to its specificities: training, business services, access to markets, integration into local and regional development strategies



Access to capital

- Collective ownership and social mission creates barriers to access traditional capital markets
 - New strategies are emerging to channel private capital for social purpose
 - Encouraging results: low loss rates, reasonable financial returns, high social returns
 - Regulatory environments can increase access to capital with positive impact on public finances
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Support for research and development

- Need to better understand the dynamics of the emerging social economy
- Need to draw lessons from successful partnerships and increase transferability
- Need for new tools of evaluation and measurement
- *Important work by OECD on new indicators*



Next steps

- In 2011, Quebec will host an important international event on the theme of public policy, partnerships and dialogue to support the social/solidarity economy
- For more information:
 - www.chantier.qc.ca
 - economiesocialequebec.qc.ca