

NEEDS & DREAMS

Community-based job creation in Québec

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“**E**mployability development is becoming estranged from the job market. Being employable and getting a job no longer go hand in hand.”¹ Why is this so? Masses of people are being driven out of their jobs as a result of the most recent waves of technological advances. Even with stable technology, still more human labour is eliminated by rationalization of production processes. Unemployment statistics are much higher than the published figures, and the great majority of the jobs created are precarious. Finally, the situation is being worsened daily by the cult of competition, competitiveness, and free trade.²

So what can be done? More specifically, what can CED do to reduce the gap between the numbers of people who need work, and the work available for them to do? I would like to offer some answers to that question with particular reference to what CED has been accomplishing in Québec.

To a great extent, any discussion about community economic development's role in job creation is much more about solidarity and citizenship than about economics. It is the word “community” that sets CED apart from other local economic development strategies and it is the community that is CED's focus. This is why CED is generally oriented towards micro solutions to macro problems.

CED is much more than the simple economic development of a community. One way to put it would be to say that CED seeks to harmonize economic development and social development and it does so by creating and adapting a community's social and economic institutions, programs, and strategies in such a way that the resulting development will

- benefit all people in society.
- comply with the community's social, cultural, and political values.
- be concerned with and cares for the environment.

Another way of putting it is to say that CED is a community-controlled institution-building process whereby empowered constituencies obtain access to resources required for individual and collective fulfillment. The underlying premise is that communities are poor or in decline because they do not have control over the tools and economic resources required to ensure their well-being and that institutions will enable them to obtain and maintain the control that they need. CED believes that such institutions can only be achieved and maintained through community participation and awareness and that programs are most effective when they address the needs of the community as articulated by a representative membership of that community.

QUALIFYING DIANE

Les rêves de Diane et les besoins d'Albertine is the name of a community group in one of Québec City's poor neighbour-

hoods. Diane is one of many single mothers who dreams of being able to make ends meet some day, of providing her children with the school supplies and the clothing that they need each fall, of having a useful job that doesn't end after six months of meaningless training. Albertine is one of many elderly women whose only source of income is a government pension and whose autonomy is diminishing because of health problems. She needs help to stay in her home but she doesn't have the money to pay for private services.

This project's name gives a good indication of how CED initiatives address the question of job creation, that is to say, by taking into consideration both Diane's dreams and Albertine's needs.

Turning Diane's dreams into reality depends on her personal strengths and weaknesses and also on her local community's capacity to support her throughout the process. Since strengths and weaknesses vary from person to person and since resources vary from one locality to another, CED does not believe that there is one overall solution to Diane's problem. CED instead proposes “a comprehensive, multi-functional and multi-dimensional approach.”³

For example, there are a number of public programs that help people like Diane qualify for some form of gainful employment through job readiness training, career counselling, placement services, etc. Many CED forays into this domain go somewhat further by using the programs to build partnerships with local employers involved in the actual training processes (Intégration Jeunesse), by dealing with the shameful overlapping of federal

and provincial policies and programs by setting up single-entry services (Carrefour jeunesse emploi . . .), or by directly linking people coming out of the programs to jobs being offered by potential employers (Guichet multi-services [CDEST]).

Some of the more creative CED initiatives to have emerged in the last decade in Québec are in this domain. Training businesses have been quite successful in Montréal in helping people on some form of public assistance as well as the *sans chèques* to reintegrate or to just simply integrate the job market or get them to go back to school (Formétal, Boulot vers . . .). The social integration framework in these training businesses is often provided by an on-site educator using groupwork methods while the shop floor is run by foremen with production, not social work, skills. This blending of on-the-job training and social intervention works because of peer support - and peer pressure - provided by co-workers. Two and three years after leaving these hybrid programs, 80% of the “graduates” are still at work or studying somewhere.

Not all training businesses are in manufacturing, however. More than a few are restaurants and caterers while others operate as general cleaning and maintenance services. And there are other similar models as well, such as the *coopératives jeunesse de service* (that enable teens to work during the summer while learning how to operate a co-op) and the CFER work/study programs to reduce the number high school dropouts (by providing on-site education in an actual recycling workplace).

On another level, a variety of federal and provincial self-employment programs have been implemented to help individuals receiving unemployment or welfare benefits to set up their own small ventures. As is the case with individuals going through training businesses and such, CED recognizes that many of these po-

tential entrepreneurs are not going to make it without initial and on-going support. But many resources are usually not available nor adapted to this category of entrepreneurs. This is why loan circles based on peer support are an integral part of most CED microenterprise development initiatives, as opposed to the more conventional lending programs that rely solely on an individual's ability to see things through alone.

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Peer support is a powerful tool in social practice, so can it not be used in job creation strategies that target the disenfranchised? It is in fact this taking into account of social dynamics, this trying to integrate social practices into the economic realm and to adapt economic tools to social realities that distinguishes CED from other local economic development strategies that ignore or otherwise segregate themselves from social problems.

Indeed, coming back to Diane, if she is extremely poor, it is doubtful that she will be able to take her first step into some kind of training without some form of social intervention. Many CED initiatives actually do grassroots organizing - or actively support agencies that do - in order to ensure that basic services are pro-

vided for those individuals who want to develop their autonomy. These, for example, might include collective housing, daycare facilities, and community kitchens. As a rule, CED will also actively support coalitions, groups, and agencies engaged in supplying both Diane and Albertine with social support networks and policies.

TURNING DIANE'S DREAMS INTO REALITY

Simply getting Diane to qualify for the labour market is not, however, going to help her realize her dreams if there are no jobs available for her. This is essentially the problem with workfare which, since most people on welfare are more than willing to work, would probably be quite acceptable if decent jobs could realistically be expected for those on workfare programs - and if the selection process were open and not subject to arbitrary whims.

This is why CED puts forward a comprehensive approach where human resource development and integrative schemes are attuned with job creation strategies at the local level. CED also expands somewhat on the notion of job creation in order to include the retention of actual jobs (Midwest Center for Labor Research) as well as the creation of one's own job through self-employment strategies such as microenterprise development.

In this realm of job creation, CED essentially works on four fronts. First, it tries to find ways of getting existing private sector businesses to be more socially responsive and active in the community, and, at the very least, more open to collective endeavours in order to ensure their own development and, at times, their own survival. Some firms in Montréal have actually committed themselves to trying to find alternative solutions to layoffs and downsizing during economic downturns. Examples of such strategies

can be found in both east-end Montréal and the Côte-des-Neiges/Notre-Dame-de-Grâce district.

Others have used the worker co-operative model to ensure continued operations in cases where there has been no clear succession to an owner's wanting to sell or retire. The *coopérative de travailleurs actionnaires* model - a quite promising québécois version of an employee share ownership program - has been used to gain greater local control as well as better market penetration by existing firms. Flexible manufacturing networks inspired by the Italian model, such as the ones developed in Philadelphia and New England, are on the verge of being piloted in Montréal (CDÉC Rosemont-Petite-Patrie).

On another front, CED tries to stimulate local entrepreneurship and new business development. While its strategies here don't always seem to be much different from customary approaches, CED does in fact try to tackle issues not often dealt with by standard business development strategies. For example, in at least one region of Québec, community development corporations have tried to deal with the question of local control by tying government support to local ownership (immediate full repayment of grants being required should the business be bought out by outside interests). Local control is also one reason why CED encourages the development of the co-operative model but capital retention is also favoured by CED. In other words, CED will try to avoid creating jobs that the community has no control over or in businesses that move the profits produced by those jobs outside the community.

On still another front, CED also tries to encourage local social agencies to get involved in job creation and economic development. For example, partnerships are being formed in Montréal between the regional health boards and CED intermediaries in order to help local firms obtain contracts to supply health estab-

lishments. In Québec, CLSCs have been and still are for the most part involved in the setting up of both CDÉCs (community economic development corporations) and CDCs (community development corporations) as well as in the start up of a vast number of other CED initiatives. More and more community groups, especially social action agencies, are becoming actively involved in local development issues, with some hav-

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ing even penetrated the governance structures of local and regional development organizations (Corporation de développement communautaire des Bois-Francis), and in direct job creation (Renaissance Montréal, L'itinéraire).

TURNING ALBERTINE'S NEEDS INTO A "MARKET" OF SORTS

Finally, CED will also encourage innovative endeavours that create jobs. This is often where Albertine's needs come in, in order to see if these cannot be transformed into a market of sorts, where both market forces and public expenditures become sources of revenues for a community enterprise. This is the French *service de proximité* concept - which merges pri-

vate and public economic models while integrating volunteering - which is being studied for experimentation in Québec.

While nonprofit daycare centres are perhaps one of the better examples of this model, others are being considered in other domains, especially home health care and recycling. The premise is that many of Albertine's needs cannot be met by relying solely on the market (she doesn't have enough money), or solely on the State (public services are being cut back and encourage dependency), or solely on volunteers (continuity and regularity of services must be guaranteed). This being the case, a mixture of all three might be one way to go in order to create "a mechanism for meeting people's needs which integrates market and redistributive methods with an enhanced element of reciprocity."⁴

The argument for developing such a strategy is that markets for such services already exist, that these markets are relatively impervious to the fluctuations of the global economy, and that exploiting them requires little start-up capital and can make use of local labour. On the other hand, jobs in these markets are low-paid (especially in view of the academic prerequisites of many of them) and without fringe benefits. If daycare centre jobs can be taken as an example, they have nonetheless been relatively long term with decent working conditions for the most part.

Contradictions remain, however. For example, the health care worker co-operative model developed in New York City and replicated elsewhere is not for all. The same goes for the home care training business operating in Mont-Laurier which the Québec government has been touting as a workfare model. CED, therefore, has to continue exploring the issue of where State responsibility ends and where the individual citizen's responsibility begins. What is known through research, is that the social component of CED's mission will never be-

come self-financing even though CED initiatives are engaged in revenue-generating practices. Although CED is actively seeking an economy beyond the market and the State, CED in no way condones any State's disengagement from its social responsibilities.

CED recognizes that these alternative ways of looking at job creation also require alternative forms of support. This is why a variety of tools such as community loan funds, community land trusts, and non-profit CED training organizations have been set up in order to support CED employment strategies. Access to credit is a major problem and the lack of adequate equity and debt financing programs in certain areas (especially urban ones) often compromises the success of CED projects.

Local comprehensive intermediary organizations, such as CDÉCs and CDCs, are also an integral part of CED. In fact, it is through nonprofit, democratically-controlled intermediary organizations that communities exert a degree of control over their own economic development. CED intermediaries are the *key* elements in the CED process and the most efficient tools for ensuring continued, simultaneous focus on both social and economic objectives.

For example, if the CDÉC Rosemont-Petite-Patrie didn't exist, Projet Angus would probably never have been structured as it has been. This story began a few years ago when Canadian Pacific shut down its maintenance yards in Montréal and over 1,000 jobs were lost. Since then, the CDÉC has been engaged with members of its community in trying to see how this calamity could be turned into an opportunity. Earlier this year, the CDÉC agreed to purchase 2.5 million square feet of land from CP (50% of the available site) and set up the Société de développement Angus, another nonprofit, democratically-controlled organization, to oversee and control the development of an industrial park on the property. This will be the

first community land trust in North America with an exclusively industrial vocation - and probably one of the largest anywhere in terms of square footage.

The industrial park will focus on small and medium-sized businesses in the field of environmental technologies. Employment development services in the neighbourhood will be encouraged to develop training programs in order to ensure that local residents get the bulk of the 2,000 foreseen jobs. The CDÉC's own resources have been involved on both fronts since 1990 and this experience will be put to use in the venture. The Société de développement Angus has also indicated that it will adopt European collectivist strategies such as flexible networks among the new businesses.

Research indicates that local leadership is essential for such successful CED initiatives. It also indicates that such local leadership is not likely to be able to successfully deal with the rigorous balancing act required to ensure the continued presence of both economic and social goals unless it is supported by specific CED training programs. Moreover, the capacity-building of the communities is in itself a training process which requires tailored pedagogical tools and resources.

Research also indicates that a substantial number of community social activists have become CED advocates and leaders. As one research project points out, it simply is not "natural" for community organizers and social workers to imagine tactics in economic development terms and therefore, training and education are needed to reinforce the "qualitative shift" in thinking that such a new vision involves. Need it be said that most social work or community organizing curricula do not include business development, marketing, or financing courses?

On the other hand, traditional management and economic development programs sadly do not speak to the issues of empowerment, confidence building, or



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In 1985, he was hired to co-ordinate Quebec's first community development corporation, the CDC des Bois-Francs in Victoriaville. Five years later, he went back to school to obtain a master's degree from the CED Program of New Hampshire College, where he now teaches business development. He also helped set up a worker co-operative through which he continues to conduct research, training, and consulting.

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healing processes. In sum, the availability of training and technical assistance for the local capacity-building process as well as for practitioner development, including tailored pedagogical tools and resources, is crucial to successful CED practice and to the training and technical support required by local groups and communities that get involved. There is hence an urgent need for public and private programs supporting both formal and informal CED learning initiatives.

CONCLUSION

A draft working paper presently being prepared for a federal agency on evaluating CED notes that CED should really be called "DCE - Developing Community Economies". Although I don't deny that this is what should happen, from my perspective, this somewhat misses the point.

If Diane lived in Rosemont-Petite-Patrie, she would have a number of resources provided by CED and others in order to help her realize her dreams: integration into low-cost housing or a community kitchen if she needs these; job-skills training (either through a training business or a community-based organization working with the CDÉC); maybe a job in the new industrial park or elsewhere in the neighbourhood. Both she and Albertine could actually even have a say in the decision-making processes that relate to these initiatives, since the CED intermediary organizations' boards of directors and their various committees all have reserved spaces for community participation.

Community participation and partnerships are cornerstones of CED. For example, both the CDÉC Rosemont-Petite-Patrie and the Société de développement Angus are based on new and unusual forms of community partnerships that bring together diverse interest groups: business, labour, government, community organizations, and/or individual members of the community. All the other CDÉCs in Québec as well

as a number of other CED initiatives have initiated similar collaborative efforts.

Québec abounds with innovative ventures along these lines. The Forum pour l'emploi, is probably one of the most widely-known endeavours where business, labour, and other sectors (education, agriculture, etc.) try to develop a common agenda and harmonize their practices to better support job creation strategies. It is worth noting that all levels of government are excluded from this venue. It is also worth noting that the Forum's latest event ended with a call for private and public support for what amount to CED strategies and initiatives, even though the words "community economic development" aren't used as such.

This phrase doesn't appear in recent government documents either, although many CED values and objectives are contained in them. Note the words in the title of a working paper which has received high-level government support in Québec: "Le nécessaire développement des solidarités locales" [my emphasis]. Note also the Québec government's reply to the 12,000 women who gathered in front of the National Assembly Building in June 1995 demanding, besides other things, a program for the development of social infrastructures: a commitment to allocate \$25 million this year and \$50 million in each of the next four years for the development of *des emplois d'utilité collective*.

It is thus interesting to note that the Québec government is relying on women's groups in this development of jobs that are collectively useful. The women's movement in Québec hopes that these will be more in line with feminist values such as sharing power and resources, consensual decision-making, and the integration of individual and collective concerns. I believe that this should significantly favour the emergence of even more CED initiatives in Québec.

From my point of view, such a flourishing of democratically-controlled organizations is perhaps one of the best things that can happen in society right now. Peter Drucker recently wrote that organizations fundamentally exist to perform the one function of their *raison-d'être*: to teach, to cure the sick, to produce goods, services, and capital. He also states that society needs these organizations "to work on the problems and challenges of the community."⁵ Together these organizations are the community. The emergence of a strong, independent, capable social sector - neither public sector nor private sector - is thus a central need of the society of organizations.

But by itself it is not enough. The organizations of both the public and the private sector must share in the work with this new social sector, which is often referred to as the "third sector" or the sector of the "social economy." In other words, solidarity through community partnerships with the third sector: it seems to me that this is what CED's role is all about.

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