Organization of cooperative development in the province of Québec

Gérard Perron, PMP
Expert in economic and organizational development

Sidney, Nova Scotia, July 2015
Structure of Presentation

1. The importance of Québec co-ops
2. An overview of the organizations
3. The Regional Development Cooperatives network
4. The key to success
5. Three conditions for the successful development of co-ops
6. Looking to 2020
The importance of Québec cooperatives

<table>
<thead>
<tr>
<th>Québec important employers</th>
</tr>
</thead>
<tbody>
<tr>
<td>1&lt;sup&gt;st&lt;/sup&gt;</td>
</tr>
<tr>
<td>5&lt;sup&gt;th&lt;/sup&gt;</td>
</tr>
</tbody>
</table>
The importance of Québec cooperatives

<table>
<thead>
<tr>
<th></th>
<th>All cooperatives</th>
<th>Non financial cooperatives</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of cooperatives</td>
<td>3,300</td>
<td>2,840</td>
</tr>
<tr>
<td>Assets in Canadian $</td>
<td>$173 billion</td>
<td>$5.7 billion</td>
</tr>
<tr>
<td>Number of jobs</td>
<td>92,000</td>
<td>44,000</td>
</tr>
<tr>
<td>Number of members</td>
<td>8.8 million</td>
<td>(Québec’s total population = 7.8 million)</td>
</tr>
</tbody>
</table>
Québec cooperative structure

Conseil québécois de la coopération et de la mutualité (CQCM)

14 sector-based Federations
And 3 large coops
Five Main Players

- Regional Development Cooperatives
- Federations
- Department of Economy, Innovation and Exportation
- Investissement Québec
- Conseil québécois de la coopération et de la mutualité (CQCM)
Organization of cooperative development in Québec

Part 3:

The Regional Development Cooperatives network
Part 3:  
The Regional Development Cooperatives network  
3 main objectives

- Help promoters starting up
- Bring cooperatives together
- Represent and promote cooperatives
Role of Regional Development Cooperatives

1. To help promoters of cooperatives in their starting up efforts
   - From 2010 to 2013
     - 327 new cooperatives
     - 1,234 jobs created or maintained
Role of Regional Development Cooperatives

2. To bring cooperatives together
   - A crossroads
3. To represent and promote cooperatives on main socio-economic boards

- Municipal sector, education, economic development, health, culture, environment...
- Partnership with regional organizations
Organization of cooperative development in the province of Québec

Part 4:

- The Key to Success
Part 4:
The **Key to Success** of Regional Development Cooperatives

- Cooperative development done **by and for** cooperatives

- Two priorities
  - Respect of cooperative principles
  - Respect of local and regional priorities
Part 5:
Three conditions for the successful development of cooperatives

- 3 conditions:
  - Close collaborations between co-op movement and government
  - Financing and professional assistance
  - Networking
Part 5: Three conditions for the successful development of cooperatives

1. Close collaborations between co-op movement and government
   - Complementary roles
   - Respect, confidence
   - Commitment from both parts
Collaboration co-op movement / government

2 years co-operative development agreement (2011-2012)

- Government = 4.5 M$/year
- Cooperatives = 560 000 $/year
- Total = 5 M$/year

N.B. + indirect investment from cooperative sectors
Three conditions for the successful development of cooperatives

2. Access to financing and professional assistance

• Fiscal system
  ➤ Balance between private and co-operative sectors

• Access to capital
  ➤ Fiscal policies promoting member investment in their co-operative
  ➤ Capital offer for small and large co-ops
  ➤ Capitalization: 1996 = 40,1%, 2009 = 45,5%

• Professional assistance
  ➤ RDC, federations, partners
Three conditions for the successful development of cooperatives

3. Networking
   • Sector-based network
     ➤ 14 federations
   • Regional network
     ➤ 11 regional development cooperatives

From these networks:
   • Balanced fiscal system, access to capital, professional assistance
Part 6: Looking to 2020

Strategic plan for Quebec’s co-operative and mutualist networks Looking to 2020
Ambitious development targets

The following objectives have been set for 2020 to reach this goal:

- **7% annual growth** in sales (or 1.5 times the GNP in inflation-adjusted dollars) to reach $45.2 billion in 2020
- The creation of **20,000** co-operative and mutualist jobs, including 5,000 jobs in Montreal
- Tangible and measurable economic and social spinoffs
Ambitious development targets

<table>
<thead>
<tr>
<th>Average contribution in jobs by 2020</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>• Agri-food</td>
<td>4,800</td>
</tr>
<tr>
<td>• Finance and insurance</td>
<td>4,400</td>
</tr>
<tr>
<td>• Human services</td>
<td>4,000</td>
</tr>
<tr>
<td>• Local services (retailers)</td>
<td>2,000</td>
</tr>
<tr>
<td>• ICT</td>
<td>1,200</td>
</tr>
<tr>
<td>• Forestry</td>
<td>800</td>
</tr>
<tr>
<td>• Manufacturing</td>
<td>800</td>
</tr>
<tr>
<td>• Business services</td>
<td>800</td>
</tr>
<tr>
<td>• Culture and communications</td>
<td>600</td>
</tr>
<tr>
<td>• Tourism/leisure</td>
<td>400</td>
</tr>
<tr>
<td>• Large-scale projects</td>
<td>200</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>20,000</strong></td>
</tr>
</tbody>
</table>
Organization of cooperative development in the province of Québec

Conclusion
Conclusion

- CQCM
  - Co-ordination role → networks synergy
- RDC helps take advantage of and improve potential
- Regional commitment from co-ops improves regional socioeconomic development
- Collaboration between cooperative movement and government
Conclusion

- The crux
  - Cooperative development by and for cooperative movement
- A hope
  - A source of inspiration for further discussions
References

- www.coopquebec.coop
- www.fcdrq.coop
- www.economie.gouv.qc.ca
  - Click: s’informer
  - Click: coopératives
Organization of cooperative development in the province of Québec

Thank you!

Gérard Perron, PMP
Expert in economic and organizational development

Sidney, Nova Scotia, July 2015