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# NATIONAL ASSEMBLY

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FIRST SESSION

FORTIETH LEGISLATURE

Bill 27

## **Social Economy Act**

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### **Introduction**

**Introduced by**  
**Mr. Sylvain Gaudreault**  
**Minister of Municipal Affairs, Regions and Land**  
**Occupancy**

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## **EXPLANATORY NOTES**

*The object of this bill is to recognize the contribution of the social economy to the socioeconomic development of Québec and to determine the role of the Government in that area. It works to promote the social economy and support its development through the creation and adaptation of policy tools, and to foster access to the Administration's measures and programs for social economy enterprises.*

*The Chantier de l'économie sociale and the Conseil québécois de la coopération et de la mutualité are designated as primary interlocutors of the Government on the subject.*

*The functions of the Minister of Municipal Affairs, Regions and Land Occupancy as regards the social economy are clarified, and a Panel of Social Economy Partners is created to advise the Minister.*

*Ministers must take the social economy into consideration in existing measures and programs, when updating those measures and programs, and in developing new tools for enterprises. They must also, whenever it is relevant, promote the social economy initiatives carried out in Québec.*

*Lastly, measures are proposed to ensure the Administration's accountability with respect to the social economy through planning, follow-up and reporting, including the adoption of an action plan and the tabling of reports on the carrying out of the Act.*

## **LEGISLATION AMENDED BY THIS BILL:**

- Act respecting the Ministère des Affaires municipales, des Régions et de l'Occupation du territoire (chapter M-22.1).

# **Bill 27**

## **SOCIAL ECONOMY ACT**

AS social economy enterprises operated by cooperatives, mutual societies and, more recently, non-profit organizations have been contributing to the socioeconomic vitality and development of Québec since the mid-19th century;

AS social economy enterprises are the result of the commitment of people who grouped together to produce goods and services, thus contributing to the well-being of their members and the community;

AS social economy enterprises have the capacity to mobilise forces in the community to meet its needs, thus becoming an important lever for collective wealth;

AS social economy enterprises are based on collective values that are reflected in various ways in the enterprises' structure and method of operation, and give rise to a sustainable solidarity economy;

AS most social economy enterprises are grouped within two large organizations, that is the Chantier de l'économie sociale and the Conseil québécois de la coopération et de la mutualité, which are supported by regional and sectoral networks;

AS, in addition to social economy enterprises, various organizations act as support in that area, offering expertise, resources and various services;

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

### **CHAPTER I**

#### **OBJECT AND APPLICATION**

**1.** The object of this Act is to recognize the specific contribution of the social economy to the socioeconomic development of Québec, in all sectors of activity.

The Act also determines the role of the Government in the social economy.

**2.** The objectives of the Act are

(1) to promote the social economy as a lever for socioeconomic development;

(2) to support the development of the social economy by creating and adapting policy tools with a view to fostering coherence in government action and transparency; and

(3) to foster access to the Administration's measures and programs for social economy enterprises.

**3.** The "social economy" includes all the economic activities carried out for social purposes by enterprises whose activities consist, in particular, in the sale or exchange of goods or services, and which are operated in accordance with the following principles:

(1) the purpose of the enterprise is to meet the needs of its members or the community;

(2) 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);

(3) the rules applicable to the enterprise provide for a democratic decision-making process; and

(4) 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.

For the purposes of the first paragraph, a social purpose is characterized, in particular, by an enterprise's contribution to the well-being of its members or the community and to job creation.

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 by a cooperative, a mutual society or a non-profit organization in accordance with the principles set out in the first paragraph.

**4.** In this Act, "Administration" means

(1) the government departments and the secretariat of the Conseil du trésor;

(2) Investissement Québec and the Société d'habitation du Québec; and

(3) any other government agency or enterprise designated by the Government and governed by the Auditor General Act (chapter V-5.01).

**5.** The Chantier de l'économie sociale and the Conseil québécois de la coopération et de la mutualité are the Government's primary interlocutors where the social economy is concerned.

## **CHAPTER II**

### **THE ROLE AND FUNCTIONS OF THE MINISTER**

**6.** The mission of the Minister of Municipal Affairs, Regions and Land Occupancy is to coordinate government action with respect to the social economy. The Minister must develop and propose to the Government, jointly with the Minister of Finance and the Economy and after consultation with the Chantier de l'économie sociale and the Conseil québécois de la coopération et de la mutualité, policies promoting the development of the social economy in Québec.

The Minister must also

(1) assist the Government in the implementation of programs and measures intended for social economy enterprises;

(2) support the Administration in carrying out the functions and actions prescribed for the application of this Act; and

(3) work to enhance knowledge of the social economy.

## **CHAPTER III**

### **THE ROLE OF THE GOVERNMENT**

**7.** In the exercise of their powers and responsibilities, all ministers must, in their actions and with respect to any agency referred to in section 4 for which they are responsible, recognize the social economy as an integral part of the socioeconomic structure of Québec by taking it into consideration in existing measures and programs, when updating those measures and programs, and in developing new tools for enterprises.

In addition, whenever it is relevant, ministers must promote social economy initiatives carried out in Québec.

## **CHAPTER IV**

### **GOVERNMENT ACTION PLAN**

**8.** The Government must adopt a social economy action plan no later than 1 April 2014. The action plan must be developed and proposed to the Government by the Minister, in collaboration with the government departments and agencies concerned, after consultation with the Chantier de l'économie sociale and the Conseil québécois de la coopération et de la mutualité. The Minister is also responsible for follow-up on the plan, reporting and evaluation.

The action plan is based on this Act and identifies the action the Administration must take to support the development and promotion of the social economy in Québec.

**9.** The action plan provides for reporting mechanisms as regards the commitments it contains and any other action taken by the Administration with respect to the social economy.

**10.** The Government must review the social economy action plan every five years. However, it may defer a review for a period not exceeding two years.

## **CHAPTER V**

### **PANEL OF SOCIAL ECONOMY PARTNERS**

**11.** The Panel of Social Economy Partners advises the Minister on any question the Minister submits to it on the subject of the social economy.

**12.** The Minister determines the composition of the Panel of Social Economy Partners.

## **CHAPTER VI**

### **AMENDING PROVISION**

**13.** Subdivision 2.2 of Division II of the Act respecting the Ministère des Affaires municipales, des Régions et de l'Occupation du territoire (chapter M-22.1) is repealed.

## **CHAPTER VII**

### **TRANSITIONAL AND FINAL PROVISIONS**

**14.** The Minister of Municipal Affairs, Regions and Land Occupancy is responsible for the administration of this Act.

**15.** For the purposes of section 12, the composition of the first Panel of Social Economy Partners must be determined no later than (*insert the date that is six months after the date of assent to this Act*).

**16.** No later than (*insert the date that is seven years after the date of assent to this Act*), and every 10 years after that, the Minister must report to the Government on the carrying out of this Act.

The report must be tabled in the National Assembly within 30 days or, if the Assembly is not sitting, within 30 days of resumption.

**17.** This Act comes into force on (*insert the date of assent to this Act*).



