



Action Plan for  
Social Innovation

# Weaving Together Montréal

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# Introduction

Montréal is internationally recognized as an exemplary city for social-economy initiatives, and we have proved in recent years that, in addition to effectively addressing major socio-economic challenges, social innovation is a driver of sustainable collective wealth.

In our day and age, with economic models undergoing profound transformations all over the world, it is essential for Montréal to assert its vision of being a city of inclusiveness and prosperity.

This Action Plan for Social Innovation contributes fully to achievement of that objective. It aims to give new impetus to social innovation through initiatives recognizing economic stakeholders who are capable of bringing about change, providing support and guidance for community initiatives, and funding projects.

**In this way, our city will give itself the tools to build a sustainable future around community projects that foster social ties and economic prosperity.**



Valérie Plante  
Mayor of Montréal



Robert Beaudry  
Executive Committee Member responsible  
for Economic and Commercial Development  
and Government Relations





# Vision



Montréal, a hub of  
innovation, talent,  
and economic,  
entrepreneurial,  
international,  
sustainable and  
social development.



# The 2018–2022 Economic Development Strategy in Brief

## **This strategy coincides with a promising economic climate for the city**

Montréal's economy has never been so vibrant, dynamic and progressive. Employment has reached record levels, and the city is attracting more and more talent, investment and innovative businesses.

The city has unmistakable assets when it comes to quality of life, innovation, talent, in an array of promising sectors. This economic development strategy builds on Montréal's strengths to fully take advantage of the opportunities afforded by environmental, social, and economic trends such as changing demographics and climate change.

Moreover, with its newly recognized status as the metropolis of Québec, Montréal has been granted new powers enabling it to better fulfil its role as an economic driver and integrate more economic development initiatives locally.

Montréal faces a number of economic challenges, however, which it must overcome in order to keep up its momentum:

- Access to and matching of the available labour force with companies' current and future requirements;
- Strengthening entrepreneurship to support business creation, growth, and succession planning;
- Commercialization of discoveries and innovation;
- Improving the economic reach and influence of Montréal and the international development of its businesses;
- Stimulation of economic centres and support for the integrated approach to territorial economic development;
- Consistency and co-ordination of all economic development initiatives;
- Increasing the client focus as part of the city's economic development.

# Five Guidelines to Accelerate Montréal's Economic Development

## Focus on know-how and talent

### Objectives:

- Reinforce work skills to improve economic productivity;
- Ensure the attraction and retention of talent;
- Improve the match between the needs of businesses and available workers.

## Stimulate entrepreneurship

### Objectives:

- Stimulate business creation;
- Support the growth of small and medium-sized businesses;
- Increase the rate of survival among businesses and support succession planning.

## Rejuvenate economic centres

### Objectives:

- Transform and densify industrial zones by favouring quality amenities and attractive settings;
- Improve the accessibility and the mobility of people and goods to centres of employment;
- Ensure industrial complementarity and synergy, and highlight the territory's economic advantages;
- Boost retail and local business.

## Boost Montréal's international reputation

### Objectives:

- Reinforce the City of Montréal's reputation as a place of business;
- Ensure the development of Montréal businesses on international markets;
- Draw foreign investment to the city.

## Ensure a powerful economic development network

### Objectives:

- Ensure a client-focused approach;
- Enhance the City of Montréal's internal processes to boost the productivity of economic development programs and services;
- Reinforce Montréal's economic development ecosystem.

# Five High-Potential Sectors to Uphold the Guidelines of the Economic Development Strategy

The aim of the economic development strategy is to ensure ideal conditions for growth across all sectors of Montréal's economy. It prioritizes five high-potential sectors that will allow Montréal's economy to be more forward-looking and competitive, and make more productive use of city resources.

Because these five sectors are cross-cutting, supporting them will strengthen other sectors as well as future niches.

## Cultural and Creative Industries

As a mainstay of Montréal's distinctive identity and character, the cultural and creative industries are a meeting point for creativity, culture, technology, and innovation. These industries include architecture and design, fashion, multimedia and video games, digital arts as well as traditional visual and live arts:

- Close to 92,000 jobs and \$8.6 billion in annual economic benefits to the Greater Montréal Area.<sup>1</sup>

## Life Sciences and Health Technologies

The life sciences and health technology sector encompasses activities ranging from research to product and service development, including medical equipment manufacturing, research and development (R&D) services, and pharmaceutical distribution.

- In Montréal, this sector represents 40,000 jobs, or 80% of direct jobs in life sciences, along with 65% of Québec GDP in the sector.<sup>2</sup>

## Digital Industry

The digital industry, at the root of innovation sectors, provides leverage for attracting both domestic and foreign investment. Increasingly widespread, it has proliferated through all other activity sectors, allowing new business models to emerge. Its primary sub-sectors are artificial intelligence and deep learning, virtual augmented reality, big data, advanced manufacturing, software and IT services, as well as telecommunications services:

- More than 100,000 jobs in the city, or 8% of Montréal jobs overall, and 72% of jobs in information and communication technologies (ICT) across Québec<sup>3</sup>;
- \$12 billion of Québec's GDP is generated by the ICT sector.<sup>4</sup>

<sup>1</sup> Chamber of Commerce of Metropolitan Montréal (CCMM), *The creative industries: Catalysts of wealth and influence for Metropolitan Montréal*, 2013.

<sup>2</sup> Montréal InVivo, *Window on the life sciences in Greater Montréal*, 2013.

<sup>3</sup> Techno Montréal, *Profil des TIC*, 2014.

<sup>4</sup> Ibid.

## Mobility and Transport

Serving most economic sectors, including public transport, manufactured goods, distribution centres, wholesale and retail trade, e-commerce, and last-mile delivery, this key industry combines all modes of transport and their disparate logistics. The development of new sustainable and intelligent transport systems is an opportunity to strengthen Montréal's place within the industry:

- 63,000 jobs in the Montréal agglomeration in 2015<sup>5</sup>;
- \$6.1 billion of the agglomeration's GDP in 2014.

## Cleantech Sector

An emerging and fast-growing sector, cleantech reconciles economic growth with environmental performance. Ensuring the transition to a low-carbon economy, this sector promotes innovation through the creation of products and services that impact other sectors of economic activity, while fostering the creation of innovative companies. The cleantech sector consists primarily of green chemistry, energy efficiency, renewable energy, sustainable mobility, waste management, water management, remediation of contaminated sites, treatment of ambient air, etc.:

- 120 foreign subsidiaries employing more than 15,300 people;
- 60% of jobs in the cleantech sector are based in Montréal.

<sup>5</sup> Montréal en statistiques, *Profil sectoriel : Transport et entreposage* (SCIAN 48-49), juillet 2017.

# Five Overall Indicators targeted by the Economic Development Strategy for 2018–2022:

**Achieve an employment rate in the Montréal agglomeration of 65% of the population aged 15 and over by 2022  
(2017: 61%)**

**Achieve a university graduation rate among the population aged 15 and over in the CMA of at least 32% by 2022  
(2017: 29%)**

**Increase the share of full-time employment in total employment for the agglomeration to 82%  
(2017: 81%)**

**Increase the employment rate of immigrants aged 25 to 54 in the agglomeration to at least 80%, thereby reducing the gap between the employment rate of immigrant populations and those born in Canada  
(2017: 78%)**

**Reduce the share of the population aged 15 and over without a high school diploma in the Montréal census metropolitan area (CMA) to no more than 12% by 2022  
(2017: 15%)**

# 8 Action Plans to Achieve the Vision and Objectives of the Economic Development Strategy

Development Strategy

Action Plan for Entrepreneurship

Action Plan for an Efficient Network

Action Plan for Design

Action Plan for Knowledge and Talent

Action Plan for International Economic Affairs

**Action Plan for Social Innovation**

Action Plan for Commerce

Action Plan for the Economic Development of the Territory

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## The role of social innovation in the Economic Development Strategy

- Social innovation and the social economy are stated priorities for stimulating entrepreneurship.
- Social innovation intersects with the priority directions and sectors identified in the Strategy.
- Montréal has the potential to become an international reference in social innovation.



# Action Plan for Social Innovation

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## Summary of the action plan

Areas		Strategies
1	Create conditions conducive to emergence of social innovations	<ul style="list-style-type: none"> <li>• Strengthen the social-innovation support ecosystem in Montréal;</li> <li>• Facilitate conversations around socio-economic challenges that bring about social innovation;</li> <li>• Support social-innovation zones as fertile ground for novel solutions.</li> </ul>
2	Promote social innovation and the social economy	<ul style="list-style-type: none"> <li>• Recognize the contributions of the social economy and social innovation to Montréal's development;</li> <li>• Support enhancement of the international reputation and influence of Montréal's social economy and social innovation;</li> <li>• Ensure the positioning of Montréal, a university city, as a catalyst for development of social innovation.</li> </ul>
3	Boost municipal procurements from social economy providers	<ul style="list-style-type: none"> <li>• Follow up on diversification of contract awarding methods;</li> <li>• Promote the social economy to purchasers;</li> <li>• Value purchaser-supplier best practices;</li> <li>• Conduct periodic evaluations of practices established with stakeholders.</li> </ul>
4	Strengthen provision of support and guidance to social entrepreneurs and innovators	<ul style="list-style-type: none"> <li>• Support and emphasize initiatives that provide innovative responses to the needs and challenges of entrepreneurs.</li> </ul>
5	Stimulate priority targets	<ul style="list-style-type: none"> <li>• Increase direct aid to social economy businesses, via the PME MTL network;</li> <li>• Increase human resources in support of the social economy within the PME MTL network;</li> <li>• Support promotion and consensus-building within the social economy;</li> <li>• Innovate in support of promising solutions.</li> </ul>

# Social Innovation in Montréal

## Social innovation, defined

"A social innovation is an idea, approach, initiative, service, product, law, or type of organization that offers something new and provides a better and more sustainable solution to a well-defined social need than those already in place. It can also be a solution adopted within an institution, organization, or community and that generates a measurable benefit for the community, not just for certain individuals.

"The scope of social innovation is transformative and systemic. Social innovation is a complete departure from everything that came before."<sup>6</sup>

Social innovation exists both within the private and public sectors, as well as in the non-profit/voluntary sector (social economy, community action). If one considers social innovations from an entrepreneurial perspective, however, they are most often driven by two types of economic actor, between which it is important to distinguish: the social economy and social entrepreneurship.

## Social economy

Québec is an international reference in social economy. The term was defined in 2013 in a law adopted unanimously by Québec's National Assembly.

"Social economy means all the economic activities with a social purpose carried out by enterprises whose activities consist, in particular, in the sale or exchange of goods or services [. . .],"<sup>7</sup> that embody the principles of collective ownership, democratic governance, and the primacy of people and work over capital in the distribution of surpluses and revenues, and that aim to meet the needs of members or the community.

The social economy is a type of economy distinct from the for-profit private- and public-sector economies. "Social economy enterprises provide products and services in innovative sectors that are as diverse as those of traditional companies"<sup>8</sup> with the aim of simultaneously meeting social needs. They may be non-profit organizations, mutuals or co-operatives.

## Social entrepreneurship

Recent years have seen the rise of private-sector companies (Inc.) whose founders espouse social objectives. The terms "social enterprise," "social entrepreneurship" and "social entrepreneur" are used to define this type of venture, which as yet is not subject to any specific legal framework in Québec.

<sup>6</sup> Québec Research and Innovation Strategy, 2017.

<sup>7</sup> Social Economy Act, c. E-1.1.1.

<sup>8</sup> Source: Ministère de l'Économie, de la Science et de l'Innovation.

## Collective initiative: At the core of social innovation

Social-innovation initiatives are generated by diverse experimentation and practices, and contribute to boosting the vitality of territories with distinguishing characteristics based on grassroots initiatives. Social innovation therefore proceeds most often from collective initiative: its hallmarks include the sharing of perspectives, collaborative approaches to work, and hybridization of resources. In all cases, the idea is to give voice to the communities and stakeholders concerned, support them, and equip them to bring their projects to fruition. These projects create jobs, are sources of enhanced quality of life, and hold the promise of a better future for large segments of the population. In its ability to bring people together and identify novel solutions and intent to fulfil aspirations and needs, social innovation is therefore an avenue for true social R&D and an engine of inclusive growth.

**Collective initiative is thus at the core of the processes of social innovation and comes into play in each phase of its expansion: emergence, experimentation and assimilation.**

## The evolution of social innovation

Social innovations in Québec have been the subject of study and research for several decades. Development of social innovations intersects to a great degree with development of the social economy: take, for example, the emergence of childcare centres and their eventual expansion across the province.

As a statistical object, however, social innovation remains difficult to identify. As such entities are neither corporations nor organizations, it is hard to evaluate the number of social innovations emerging in Montréal.

Available statistics therefore concern the social economy. A statistical survey conducted on the territory of Montréal in 2008 revealed the following<sup>9</sup>:

- 3,590 establishments, including 2,360 with employees, excluding the two major employers Desjardins and Coop fédérée;
- 61,500 paid jobs;
- Annual revenue of some \$2 billion;
- A wide variety of activities, with health, arts, culture and entertainment, and tourism prominent;
- Social economy enterprises are particularly long-lasting, averaging 19 years.

For several years now, social innovation has been an increasingly large part of the public conversation. Initiatives aimed at cataloguing social innovations are multiplying, a sign of the growing interest in the topic. Venues as well as support and guidance programs dedicated to social-innovation projects continue to be established, and social innovation is increasingly being covered in the media.

Lastly, governments are taking growing interest in social innovation. In 2008, the Government of Québec made social innovation part of its Action Plan for the Social Economy and, subsequently, its Research and Innovation Strategy, while in 2017 the federal government began developing its Social Innovation and Social Finance Strategy.

<sup>9</sup> Marie J. Bouchard, ed., *Portrait statistique de l'économie sociale de la région de Montréal* (statistical portrait of the social economy in the Greater Montréal Region), Université du Québec à Montréal School of Management, Canada Research Chair on the Social Economy, 2008.

## Social innovation at the heart of inclusive, sustainable economic development

The 2018–2022 Economic Development Strategy aims to make Montréal a hub for innovation, talent and development, and this Action Plan for Social Innovation comprises one thrust of the strategy.

The City's action is based on a fundamental trend observed among entrepreneurs. According to the 2017 Québec Entrepreneurship Index, "a shift toward the social economy appears to be a popular choice. Among individuals intending to start a business, one respondent in five (19.9%) stated that their eventual business would be active within this framework."<sup>10</sup>

In adopting this plan, the City recognizes the key role of social innovation in its development and asserts its place at the heart of solutions to our changing economy. Social innovation cuts across the five high-potential economic sectors identified for the territory (mobility and transport, the digital industry, life sciences and health technologies, the cultural and creative industries, and the cleantech sector) and plays a role in Montréal's appeal in terms of quality of life, development and talent retention. Social innovation positioned in this manner emerges as a lever for international reach and influence.

The Action Plan for Social Innovation is also in keeping with the City of Montréal's Social Economy Partnership for Community-Based Sustainable Development. Adopted in 2009, it recognized the social economy as integral to the city's economic development.

The Action Plan for Social Innovation has been developed taking into consideration the 2017–2022 Cultural Development Policy, the 2017–2022 Heritage Action Plan, the Social Development Policy, as well as Sustainable Montréal, the 2016–2020 Sustainable Development Action Plan.

**Today, with the focus on social innovation, the Economic Development department's action plan has incorporated a new dimension. It recognizes that the social economy remains at the core of the City's actions, but also welcomes social innovation initiatives stemming from private enterprise. In linking together the social economy and social innovation, the challenge for the City of Montréal is therefore to strengthen the many social innovations emerging on its territory and to assert its own vision, rooted in collective initiative and with the power to transform.**

<sup>10</sup> [https://www.reseaum.com/documents/20182/64353/Rapport\\_IEQ2017\\_final\\_171030.pdf/ed5cd154-855a-4362-bec4-93079cd502b3](https://www.reseaum.com/documents/20182/64353/Rapport_IEQ2017_final_171030.pdf/ed5cd154-855a-4362-bec4-93079cd502b3). 2017 2017 Québec Entrepreneurship Index by Réseau M of the Entrepreneurship Foundation

# Foundations of the Action Plan for Social Innovation

## Principles underlying the City's action

The City of Montréal's role includes granting strategic financial support, facilitating collaborative structures, influencing policies and regulations, and highlighting made-in-Montréal best practices.

Its actions are supported by the following principles:

- Encourage social innovations grounded in collective initiative;
- Support the ecosystem by helping to strengthen intermediary organizations and facilitating structure-enhancing projects;
- Capitalize on local assets: recognized university city, entrepreneurial vitality, strong citizen involvement;
- Adopt a cross-cutting approach: nurture initiatives among the municipal departments and facilitate outside-the-box approaches.

## Main challenges identified in the action plan

### The need for an ecosystem conducive to amplification of social innovation and its processes

Increasing numbers of entrepreneurs are interested in developing projects with social impact, but Québec's entrepreneurial ecosystem is in the midst of profound change. Though largely consolidated in the Greater Montreal Area, the ecosystem as concerns social innovation is still in the process of being defined.

Lever of action:

- Strengthen processes in support of the emergence of innovative ideas, provide specific support and guidance to innovation processes, and recognize local projects.

### Recognition of social innovation and its entrepreneurs from the private and community sectors

Social innovation has recently emerged as an economic newsmaker in Montréal, yet clarification of this concept is lacking. The range of viewpoints expressed today makes it difficult to implement a consistent ecosystem and is hampering the transformative power of innovations.

Lever of action:

- Improve recognition of the contributions of social innovation to the city's development and the central role of the social economy in that process, so as to facilitate upscaling.

### **Participation by social economy players in public procurement**

Municipal procurements are a vital lever of commercialization and growth for organizations. Community enterprises, however, still face barriers to participating in major public procurement processes.

Lever of action:

- Raise awareness among municipal purchasers of the social benefits generated by these enterprises and begin changes to procurement practices.

### **Low funding**

Access to funding is often difficult for providers of social innovation. Existing assistance programs are seldom conducive to innovation and demand accountability procedures that are difficult to comply with in a context of experimentation.

Lever of action:

- Facilitate innovation through reconciliation of these operating requirements.

## SWOT Analysis of the Environment and Markets

### Strengths

- **Montréal's assets:**
  - World's leading university city in 2017
  - A multicultural city
  - A cultural metropolis
  - Outstanding quality of life
- **A strong social economy:**
  - Broad base of social-economy enterprises
  - Established networks
  - Firmly established collaborative practices
  - International reputation

### Weaknesses

- **A need for structuring**
  - Changing ecosystem
  - No legal definition of social entrepreneurship
  - Critical mass yet to be reached
- **Tools requiring strengthening:**
  - Training of support resources
  - Lack of funding initiatives specific to the social economy

## Opportunities

- Capitalize on the growing interest in social innovation
- Optimize synergies with other levels of government
- Take advantage of the growing influence of social innovation and the social economy in international development strategies (UN Sustainable Development Goals, organizations such as the ILO, UCLG, OECD)

## Threats

- International competition for leadership in matters of social innovation
- Competing visions of social innovation

**A \$16.9-million**  
budget over  
four years.

**4 areas** of action.

**28 actions.**

## Creating Conditions Conducive to Emergence of Social Innovations

Beyond legal status and models for developing solutions, the key to support for social innovation is implementation of structures for collaboration and meetings among the stakeholders present in order to develop new perspectives and solutions. These processes are highly specific to social innovation and demand specific types of support and guidance. To establish the base for the social innovation support ecosystem in Montréal, the City therefore intends to support intermediate organizations, which support innovations by implementing innovation processes.

Moreover, Montréal is teeming with initiatives that aim to address socio-economic issues. Leading conversations around certain key challenges for Montréal, that incorporate design processes, will be favourable to the emergence of concerted, entrepreneurial and viable solutions, out of the needs of the community and discussions among stakeholders. The challenges envisioned so far included changes in the workplace resulting from digital technology, most notably artificial intelligence and the collaborative economy.

Social innovations are rooted in a specific territory; a geographical space. Many collectives are displaying innovation in their use of spaces and in preserving or developing the built environment, occupying premises in ways that guarantee sustainability, social cohesion and quality of life for all. The goal is to support these processes, which are developing not only new forms of land and property use, but also new forms of governance for such spaces.

The combined action of these three approaches reveals common elements:

- Supporting the process of social innovation throughout its three phases: emergence, experimentation and assimilation;
- Relying on the social economy and a definition of social entrepreneurship to frame the City's action;
- Building on collaboration from all stakeholders.

# AREA 1

Strategies	Actions	Performance Indicators
<b>Strengthen the social-innovation support ecosystem in Montréal</b>	<ul style="list-style-type: none"> <li>• Back support/guidance organizations specialized in social innovation in the emergence and formalization of social-innovation projects</li> </ul>	<ul style="list-style-type: none"> <li>• Number of support/guidance organizations</li> </ul>
<b>Facilitate conversations around socio-economic challenges that bring about social innovation</b>	<ul style="list-style-type: none"> <li>• Support social-innovation processes so as to generate novel solutions to key challenges of Montréal's development</li> </ul>	<ul style="list-style-type: none"> <li>• Number of socio-economic challenges identified and subjected to a social-innovation process</li> </ul>
<b>Support social-innovation zones as fertile ground for novel solutions</b>	<ul style="list-style-type: none"> <li>• Identify social-innovation zones and support community projects for enhancement of living environments</li> </ul>	<ul style="list-style-type: none"> <li>• Number of zones supported</li> </ul>

## Promoting Social Innovation and the Social Economy

Social innovation and the social economy are methods quite distinct from traditional development avenues. Achievements are impressive, but practices are many and diverse, such that much work remains to be done in acknowledging social innovation in all its forms and highlighting the Montréal experience. Promoting social innovation and the social economy therefore remains a major challenge. Pursuant to the Action Plan for Social Innovation, promotional initiatives will be strengthened and diversified, both locally and internationally.

### **Recognizing the contributions of the social economy and social innovation to Montréal's development**

The social role and the diversity of social innovation and the social economy mean that they have multiple interactions with many municipal jurisdictions—so much so that there are social-innovation and social-economy players connected to most City of Montréal departments. To foster these approaches as well as enhance the effectiveness of public action, it is important to improve public officials' knowledge of the mechanisms of the social economy and social innovation.

### **Boosting the international reputation and influence of Montréal's social economy and of social-innovation practices**

Québec in general and Montréal in particular, through exemplary practices in social economy and social innovation, have built a reputation as a model to follow. In recent years, Montréal has hosted numerous international delegations whose members visit local social-economy enterprises and gain an understanding of the framework conducive to their growth.

Local players have performed active roles in the creation of many international networks, the most prominent of which is the Global Social Economy Forum, based in Seoul.

Montréal's experience in social innovation and the social economy is thus a major contributing factor to the city's growing reputation as a fertile centre for development of social innovations.

### **Making Montréal, a university city, a catalyst for the development of social innovation.**

With more than 190,000 students attending its 11 university-level institutions, Montréal boasts the most students per capita of any North American city. In recent years, young people in Montréal have been strongly attracted to social-innovation and social-economy initiatives.

Researchers, students and student associations encourage such approaches and have already helped ensure they are taught in the curricula of several programs, ranging from administration to engineering to the social sciences.

Capitalizing on Montréal's higher-education assets is key to social innovation on three levels: mobilization of researchers, collaboration between businesses, universities and CÉGEPs on upscaling of social innovations, and training of the emerging generation.

Actions targeting the university community will be organized in co-ordination with the Action Plan for Knowledge and Talent.

Strategies	Actions	Performance Indicators
Recognize the contributions of the social economy and social innovation to Montréal's development	<ul style="list-style-type: none"> <li>• Conduct an awareness and training campaign targeting public-sector administrators, so as to strengthen their capacity to provide support adapted to social-economy and social-innovation enterprises and organizations</li> <li>• Take part in the entrepreneurship awareness campaign rolled out as part of the Action Plan for Entrepreneurship</li> </ul>	<ul style="list-style-type: none"> <li>• Number of people trained</li> </ul>
Support enhancement of the international reputation and influence of Montréal's social economy and social innovation	<ul style="list-style-type: none"> <li>• Highlight the City of Montréal's commitment in favour of the social economy in its international relations</li> <li>• Support participation by Montréal stakeholders in international discussions on innovation challenges, notably via the Global Social Economy Forum and the International Centre for Innovation and Knowledge Transfer on the Social and Solidarity Economy</li> <li>• Support organization of international exchange missions addressing topics specific to the social economy and social innovation</li> </ul>	<ul style="list-style-type: none"> <li>• Number of participations with international organizations engaged with social-economy and social-innovation challenges</li> <li>• Number of Montréal stakeholders supported</li> <li>• Number of missions</li> </ul>
Ensure the positioning of Montréal, a university city, as a catalyst for development of social innovation	<ul style="list-style-type: none"> <li>• Support the Action Plan for Knowledge and Talent in fostering liaison and knowledge-sharing on social innovation among Montréal's universities, research centres, social-economy enterprises, and private enterprises with a social purpose Soutenir le développement de stages d'étudiants dans les entreprises et les organisations d'économie sociale</li> <li>• Support development of student internships in social economy enterprises and organizations</li> <li>• Support universities' peer awareness processes (ambassadors/champions)</li> </ul>	<ul style="list-style-type: none"> <li>• Presence at the table of higher-education institutions</li> <li>• Number of internships supported</li> <li>• Number of groups of ambassadors</li> </ul>

## Boosting Municipal Procurements from Social-Economy Providers

In the OECD countries, socially responsible sourcing policies are increasingly prevalent among local governments. Several major cities including Montréal came together in 2016 as the Global Lead City Network on Sustainable Procurement, pledging to “set ambitious, quantifiable targets on sustainable procurement, report on achievements, and act as global and regional champions of sustainable procurement.”

The City of Montréal has introduced a procurement policy that outlines general principles to serve as guidelines for ethics, quality, performance and sustainable development.

The City has also adopted the Sustainable Montréal Plan 2016–2020, defining responsible procurement objectives and targeting social economy enterprises.

The Action Plan for Social Innovation will act to support the City’s Procurement Department and Sustainable Development Bureau in their dealings with social economy enterprises.

# AREA 3

Strategies	Actions	Performance Indicators
Follow up on diversification of contract awarding methods	<ul style="list-style-type: none"> <li>• Lead an inter-municipal-department task force responsible for implementing and monitoring the City's procurement measures with social-economy enterprises</li> <li>• Take part in reviewing the City's procurement policy to enhance references to the social economy référence à l'économie sociale</li> </ul>	<ul style="list-style-type: none"> <li>• Number of administrative units that have joined</li> <li>• Enhanced references to the social economy in the policy</li> </ul>
Promote the social economy to purchasers	<ul style="list-style-type: none"> <li>• Facilitate on-the-job training for municipal purchases on the social economy and provide them with access to information tools</li> <li>• Strengthen the use of directories of social economy goods and services providers</li> </ul>	<ul style="list-style-type: none"> <li>• Number of training sessions/year</li> </ul>
Value purchaser-supplier best practices	<ul style="list-style-type: none"> <li>• Continue the City's participation in the declaration of commitment to public procurements from social-economy enterprises</li> <li>• Continue supporting the <i>L'économie sociale, j'achète!</i> operation</li> </ul>	<ul style="list-style-type: none"> <li>• Number of social-economy enterprises listed in the directory of providers</li> </ul>
Conduct periodic evaluations of practices established with stakeholders	<ul style="list-style-type: none"> <li>• Present results of a yearly survey of municipal procurements from social- economy enterprises</li> <li>• Evaluate progress achieved and make recommendations jointly with partners</li> </ul>	<ul style="list-style-type: none"> <li>• Completion of the yearly survey</li> <li>• Holding of an annual meeting</li> </ul>

## **Strengthening Provision of Support and Guidance to Social Entrepreneurs and Innovators**

With its status as a metropolis now recognized, Montréal is better positioned to support creation and development of initiatives conducive to social innovation. That support includes a number of activities that can be distributed depending on company development phase, type of issue encountered, type of support needed, and expertise required.

Resources must be allocated accordingly to meet the needs of communities and entrepreneurship projects with strong social impact, including community enterprises. The PME MTL network service centres, together with a number of partners, form the core of this area of the action plan.

# AREA 4

Strategies	Actions	Performance Indicators
<b>Increase direct aid to social-economy businesses, in the PME MTL network service centres</b>	<ul style="list-style-type: none"> <li>• Grant \$9.2 million to the PME MTL Social-Economy Development Fund to support projects at all phases of development, including pre-seed and seed</li> <li>• Enhance consideration of the social economy and social innovation in PME MTL's general-purpose funds</li> <li>• Provide financial support for access to specialized enterprise consulting services (e.g., commercialization, governance)</li> </ul>	<ul style="list-style-type: none"> <li>• Number of projects funded</li> <li>• Share of membership in committees of players from the social economy</li> <li>• Number of social-economy enterprises supported by the general-purpose funds</li> <li>• Value of contributions</li> </ul>
<b>Increase human resources in support of the social economy within the PME MTL network</b>	<ul style="list-style-type: none"> <li>• Increase the number of resources dedicated to the social economy</li> <li>• Ensure ongoing training on the social-economy business model for all PME MTL consultants</li> </ul>	<ul style="list-style-type: none"> <li>• Number of new resources per centre</li> <li>• Number of consultants trained</li> </ul>
<b>Support promotion and consensus building within the social economy</b>	<ul style="list-style-type: none"> <li>• Continue supporting the mission of the Conseil d'économie sociale de l'Île de Montréal</li> </ul>	<ul style="list-style-type: none"> <li>• Number of promotion and consensus-building initiatives</li> </ul>
<b>Innovate in support of promising solutions</b>	<ul style="list-style-type: none"> <li>• Support completion of Greater Montréal projects or structure-enhancing projects at all phases of development</li> <li>• Support identification of novel real-estate solutions for non-profit organizations and co-ops (access to community-based property development, social trusts, transitional occupancy, etc.)</li> <li>• Provide funding to community-based property development projects as part of the Action Plan for the Economic Development of the Territory</li> </ul>	<ul style="list-style-type: none"> <li>• Number of initiatives supported</li> <li>• Number of solutions identified</li> </ul>



# Conclusion

The Action Plan for Social Innovation integrates in a cross-cutting manner with the “Montréal: Geared up for Tomorrow” Economic Development Strategy, which aims to ensure our city’s leadership in the strategic sectors of the future and make it a reference for inclusive, sustainable economic growth. Its aim is to strengthen an entrepreneurial ecosystem for innovative business methods, namely the social economy and private enterprises with a social purpose. Collective initiative is at the core of its approach.

Through its strategy, Montréal seeks to facilitate, inspire and support initiatives by entrepreneurs, investors and all other stakeholders that contribute to the city’s development.

The consultations begun during preparations for the strategy will continue this fall, when a forum on the action plans will be held. This will provide the opportunity for all stakeholders to engage toward concrete actions and concerted efforts.

# Glossary of Terms

## ***L'économie sociale, j'achète!***

Support program in commercialization aimed at Montréal social-economy enterprises to help boost their business volume and collaborations, while ensuring benefits for the Montréal community.

## **OECD**

Organization for Economic Co-operation and Development

## **ILO**

International Labour Organization

## **Social entrepreneurship**

Recent years have seen the rise of private-sector companies (Inc.) whose founders espouse social objectives. The terms “social enterprise,” “social entrepreneurship” and “social entrepreneur” are used to define this type of venture, which as yet is not subject to any specific legal framework in Québec.

## **Social economy**

As defined in the Social Economy Act, Section 3, Chapter E-1.1.1: “Social economy” means all the economic activities with a social purpose carried out 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 democratic governance by its members;
- (4) the enterprise aspires to economic viability;
- (5) 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; and

- (6) the rules applicable to a legal person operating the enterprise provide that in the event of its dissolution, the enterprise’s remaining assets must devolve to another legal person sharing similar objectives.

“For the purposes of the first paragraph, a social purpose is a purpose that is not centred on monetary profit, but on service to members or to the community and is characterized, in particular, by an enterprise’s contribution to the well-being of its members or the community and to the creation of sustainable high-quality jobs.

“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, in accordance with the principles set out in the first paragraph, by a cooperative, a mutual society or an association endowed with legal personality.”

## **Social innovation**

An idea, approach, initiative, service, product, law, or type of organization that offers something new and provides a better and more sustainable solution to a well-defined social need than those already in place. It can also be a solution adopted within an institution, organization, or community and that generates a measurable benefit for the community, not just for certain individuals.

## **UN**

United Nations

## **UCLG**

United Cities and Local Governments

# **Economic Development Mobilization Forum**

**Fall 2018**



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