



Brief to the

Pre-Budget Consultation Chaired by Finance Minister Eric Girard

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Check against delivery

The Quebec Community Sector – A reliable partner

Introduction

Quebec has long recognized the importance of community sector organizations in complementing the state's public service offer for the benefit of its population.

Community organizations in Quebec play a key role in informing, assisting, delivering, and bridging the gaps between the State, its basket of services, and those who rely on these the most. This fact was laid out clearly in the 2001 *Government Policy on Community Action: A crucial contribution to the exercise of citizenship and the social development of Quebec.*¹

The Quebec community sector, to this day, continues to assume this role as a trusted and reliable government partner, even in the face of the increasing challenges brought upon by these uncertain economic times.

Sections A to C of this brief address the funding needs of Quebec's community sector organizations, and more specifically the needs of those organizations which provide services and programs to English-speaking Quebecers. The Quebec Community Groups Network (QCGN) has long held a mandate to collect, collate, and articulate the needs of Quebec's English-speaking community, and the work that we have done on this file in recent years has informed these sections of our brief significantly. For more context around the specific funding needs of the community, we encourage you to review the following documents:

- Working Together for a More Vital Community: The 2022-2027 Community Development Plan for English-speaking Quebec
- Report on the Priorities of Quebec's English-speaking Community for the 2023-2028
 Official Languages Strategy, which was submitted to the Federal Minister of Official Languages on Sept. 30, 2022.

A. Ongoing needs of Quebec's community sector

Despite the importance ascribed by the government to the community sector, community organizations remain significantly underfunded and continue to struggle to provide essential services.

The Regroupement intersectorielle des organismes communautaires de Montréal (RIOCM) estimates that the 2022 provincial budget only granted 6.5 per cent of the additional funding needed by Montreal's community sector to sustain its core operations.²

¹ Community action > SACAIS > MTESS (gouv.qc.ca)

² Le budget provincial 2022 manque de considération envers le communautaire - RIOCM

The need for increased core funding for community groups is especially pronounced in recent years in the face of the well-documented shift from "core" to "project" funding, where minimal allowable overhead has left many organizations ill-equipped to carry out their missions in the face of rising operational and salary costs.

With the economic challenges ahead, this is no time to let up. On the contrary, community sector organizations require additional support to meet increasing demand for the services and support they provide.

1. The QCGN submits that community sector funding should be increased to meet the increasing demand for community services.

B. Funding equity for community groups serving English-speaking Quebecers

According to an estimate provided by the Secretariat for Relations with English-speaking Quebecers (hereinafter *The Secretariat*), organizations serving English-speaking Quebecers receive as little as three per cent of the funding provided by the Government of Quebec to the community sector.³ This estimate was based on then-current figures for total investment in the community sector totaling \$1.1 billion.

As of budget 2022, the figure for total investment in the community sector has significantly increased. It is therefore likely that the share of funding to community organizations serving the English-speaking community may have, consequently, even further decreased. The QCGN believes that the share of funding allocated to the English-speaking community should be no less than our community's share of the total population of Quebec, i.e., 15 per cent, as of the most recent federal census.

The English-speaking community depends on provincial funding, given that many of our most pressing challenges fall under provincial areas of competence. Moreover, while the community has historically relied on federal funding through Official Languages programming, we are systematically under-funded at that level of government as well.⁴

The QCGN and the Association for Canadian Studies recently commissioned Léger to field a survey to some 600 Quebecers aged 18 and over. The survey, fielded November 1-4, 2022, found strong consensus between French- and English-speaking Quebecers on the issue of equitable funding for community groups. Two thirds of French-speaking Quebecers (65%) and 80 per cent of English-speaking Quebecers agree that when government funding for community projects is available, it is only fair that the English-speaking community should receive funding that reflects its size within the population of Quebec.

³ QCGN, 2020. "Vision, Vitalité et Viabilité: Rapport sur la tournée de consultation du Secrétariat aux relations avec les Québécois d'expression anglaise.

⁴ https://qcgn.ca/community-development-plan-2022-2027/#toggle-id-5

2. The QCGN submits that funding for community groups serving English-speaking Quebecers should be increased to reflect the size of the English-speaking community's proportion of Quebec's population.

C. Funding support for community groups serving English-speaking Quebecers

Our members and stakeholders have long expressed to the QCGN the strain that the current dynamic places on their organizations. Many organizations face systemic barriers in accessing funding in key sectors of activity, such as health and social services, employment, and education, due to their status as generalist organizations which provide a broad range of services. As a result, they are unable to meet the criteria for funds reserved for organizations that specialize in these services. However, in many regions of Quebec, these specialist organizations are often unable to provide services in English, requiring English-speaking organizations to provide services in sectors including health and employment.⁵

For these reasons, the QCGN has long advocated that Quebec play a stronger role as a funder for Quebec's English-speaking communities.

3. The QCGN submits that the necessary support be provided to community organizations serving English-speaking Quebecers in accessing funding from all pertinent provincial envelopes, without such being limited to the Secretariat.

D. The Secretariat for Relations with English-speaking Quebecers

In 2017, we were pleased with the creation of the Secretariat for Relations with English-speaking Quebecers, as well as its funding program for community organizations. These initiatives gave a much-needed boost to our community sector.

Unfortunately, the Secretariat is still not a permanent institution of the Quebec government and is, consequently, insufficiently equipped to address the long term needs of the English-speaking community.

4. The QCGN submits that the Government of Quebec should legislatively constitute the Secretariat into a permanent government entity by means of an amendment to the Act Respecting the Ministère du Conseil exécutif.

It is our hope that, in addition to continuing to strengthen its funding program for community groups, that a permanent Secretariat for Relations with English-speaking Quebecers would also have the means necessary to fulfill its equally essential mandate to facilitate a more sustained and impactful policy dialogue between Quebec's English-speaking Community and all ministries and agencies of the Provincial Government.

⁵ https://qcgn.ca/wp-content/uploads/2021/04/04.28.2021-Summary-Report-Dec-1-Facing-Common-Challenges.pdf

The Secretariat must be provided with sufficient resources to address the significant policy issues affecting English speakers. This is something that the QCGN has advocated for in the past, and it has also emerged as an important theme in the 2020 report on the Secretariat's own consultation process.⁶

5. The QCGN submits that the Secretariat's operating budget to better facilitate policy dialogue between the English-speaking community and all relevant ministries and agencies of the Government of Quebec.

While the Secretariat has filled some gaps in funding by making provincial funds accessible to English-speaking generalist organizations, the fact that we are restricted from accessing the most important provincial envelopes ultimately limits our community's development.

6. The QCGN submits that the Secretariat's funding program should be strengthened and increased to enable it to meet the growing needs of the English-speaking community.

E. Intergovernmental cooperation on minority-language services

Furthermore, the Province receives funding from the Federal Government for services to Minority-language communities. QCGN has on several occasions advocated for an increase in the size and scope of the *Intergovernmental Cooperation Agreement on Minority-language*Services, something Quebec has historically refused. In this difficult context, Quebec must revisit this position.

7. The QCGN submits that Quebec should act alongside the Federal government to increase the size and scope of the Intergovernmental Cooperation Agreement on Minority-language Services.

F. Bill 96 impacts on Quebec's economy

As Quebec's economy continues to rebuild in the wake of the COVID-19 pandemic, the English-speaking community shares the hopes of all Quebecers for a return to long-term growth and prosperity.

The recent enactment of Bill 96 (*An Act respecting French, the official and common language of Québec*), however, has prompted serious concerns in our community and beyond about the legislation's potential impacts on Quebec's economy and international reputation as a place to live and do business.

⁶ https://cdn-contenu.quebec.ca/cdn-contenu/adm/org/srqea/divers/rap-consultation-2019-construireDesPonts-en.pdf

⁷ https://qcgn.ca/wp-content/uploads/2022/10/Report-on-the-priorities-of-Quebecs-English-speaking-community.pdf

At an event organized by the Chamber of Commerce of Metropolitan Montreal (CCMM) on December 12, Minister Eric Girard took the opportunity to directly address English-speaking Quebecers. The Minister sought to reassure the community on the implications of Bill 96, saying that "nothing had changed" with regards to the community in the wake of the Bill's enactment. While we welcome the Minister's attempts to reassure, significant concerns remain unaddressed.

To better understand these concerns and how Bill 96 is perceived by leaders and key stakeholders within the English-speaking community, QCGN undertook a consultation by means of a survey distributed between December 7, 2022 and January 10, 2023. Board and executive leadership of QCGN members organizations, committee members, and members of our Community Vitality Roundtables were invited to participate.

The results paint a portrait of a community deeply concerned about Quebec's potential for future economic growth. For instance, a majority (87%) of stakeholders from the English-speaking community see negative impacts for Quebec economy as a result of Bill 96. Based on what they have seen, read, or heard, 83 per cent believe that Bill 96 will negatively impact Quebec's international reputation. Newcomers to Quebec are also seen to be at risk: 86 per cent expect Bill 96 to have a negative impact on this group.

We need not explain in much detail why such unfavourable opinions will inevitably have ramifications for the future of direct foreign investment. If Quebec develops an internationally unfavourable reputation based on perceptions of its business landscape being prohibitive, or of its health care and education systems being difficult to access, businesses and the people who drive them will be less likely to want to establish themselves here and contribute to Quebec's economy.

These concerns echo those recently expressed by Guy LeBlanc, President and CEO of *Investissement Québec*. In conversation on December 8, 2022 with his counterpart Michel Leblanc of the Chamber of Commerce of Metropolitan Montreal (CCMM), LeBlanc cited the case of an overseas company that was seriously considering withdrawing its presence in Quebec due to Bill 96 and its implications. As reported by the *Journal de Montréal*, LeBlanc questioned whether there was a need to loosen certain aspects of Bill 96.

More recently, the government's decision to suspend the Quebec Entrepreneur Program and the Quebec Self-Employed Program for immigrants who do not already speak French is an additional worrisome sign that Quebec is sending to the international community in these competitive times for talent and investment.

Support for a strong economy is one of many values that unite Quebec's minority and majority language communities. While unemployment data from the 2021 census has yet to be released, figures from the 2016 data indicate that unemployment is two percentage points higher among

English-speaking Quebecers than their French-speaking neighbours (8.9% vs. 6.9%). Given this discrepancy, job creation remains of particular importance for Quebec's English-speaking community.

Asked to identify which areas were particularly urgent for Quebec to invest in the English-speaking community, stakeholders' responses clustered around four areas of need: health and social services; education; arts, culture and heritage; and seniors.

A strong Quebec economy equates to more government revenues. This, in turn, allows for more investment in public services and in the community sector, which play a key role in complementing the offer of public services.

8. The QCGN submits that a real and meaningful dialogue should promptly begin between Quebec's English-speaking community and Minister Girard to address the impacts of Bill 96, its effect on Quebec's reputation, and the potentially harmful consequences on business, foreign investment, and the economy.

Lastly, we believe that there is a need to hold formal consultations on the regulations that will implement Bill 96. Minister Girard recently said that he believes the main issue with Bill 96 is how the legislation was communicated by his government to communities. Consequently, we believe that parliamentary hearings will provide the Minister an important opportunity to better understand the economic and other impacts of Bill 96 on the vitality of the English-speaking community and Quebec as a whole.

9. The QCGN submits that the Government of Quebec should hold formal parliamentary hearings on regulations relating to the implementation of Bill 96, An Act respecting French, the official and common language of Québec.

Conclusion

The Quebec Community Groups Network is honoured to have been invited to participate in the 2023 Pre-Budget Consultation process and has endeavored to outline some key concerns in this document.

Minister Girard, your appointment of Mr. Girard as Minister responsible for Relations with Quebec's English-speaking community was indeed a significant first step in resetting Quebec's relationship with our community and resolving the issues outlined herein. The QCGN has publicly welcomed your appointment, and we continue to look forward to our first meeting with you so that we can commence the necessary and meaningful dialogue that is long overdue.

⁸ JPocock Research Consulting, 2016 Census, Statistics Canada. Population in private households - 25% sample. The linguistic concept is First Official Language Spoken with multiple responses distributed equally between English and French.

The QCGN is an important bridge between the Government of Quebec and its English-speaking community. We are an important convenor for the community, a center for evidence-based expertise on matters of policy, and an essential voice whenever the Government of Quebec deems it necessary to consult our community, whether it be a parliamentary commission studying legislation, or this very pre-budget exercise. Most importantly, we always do this work as Quebecers and in the best interest of Quebec and we look forward to continuing to contribute to the future success and prosperity of this beautiful place that we call home.

On behalf of the QCGN, our members and English-speaking Quebecers, thank you again Minister Girard for the opportunity to be here today. We look forward to your questions.