

Austerity Governance and the Welfare Crisis in Montreal

Pierre Hamel¹ and Grégoire Autin²

Introduction

In Montreal, the challenge of austerity is modulated by the way the local state is undergoing a process of restructuring³. The divisions of power between federal, provincial and local components in the Canadian federal system, subject to the Constitution, leave municipalities with few options outside of finding acceptable compromises with the provincial government. This is because “municipalities in Canada have *no* autonomous, local and democratic constitutional standing. They have a constitutional position within the realm of the provincial omnicompetence” (Lightbody 2006: 39). As a consequence, collaborative governance at the local level is not something new. Even though a stark division between the different tiers of the state regarding the emergence of an austerity regime prevails, a varied picture of it is given by social and economic actors.

But why do opponents have difficulty in organizing against governmental policies and discriminatory measures around the neoliberal ideology of austerity? On a general theoretical level, the hypothesis we would like to explore is the following: based on a Weberian understanding of capitalism described as “slavery without a

¹ Pierre Hamel is a Professor in the Department of Sociology at the Université de Montréal. His current work focuses on public debate and deliberative democracy, as well as social movements and collective action. Email: pierre.hamel@umontreal.ca

² Grégoire Autin is a PhD student at the Department of Sociology at the Université de Montréal. He works on social movements, alternative practices and prefigurative politics. Email: gregoire.autin@umontreal.ca

³ The research from which this publication derives is funded by the UK Economic and Social Research Council (Ref: ES/L012898/1) - *Collaborative Governance under Austerity: An Eight-case Comparative Study*. The authors would like to thank Jonathan Davies who is the principal investigator of this research. See <http://www.dmu.ac.uk/ESRCAusterity>.

master”, one should not forget that “from an ethical standpoint, it [capitalism] can be contested only as an institution, not on the level of economic actors’ personal behaviour” (Löwy 2013: 107). We think that this can help understanding why opponents of the neoliberal ideology of austerity, as elaborated by the Quebec Liberal party, have difficulties in organizing for blocking governmental policies and discriminatory measures coming from austerity policies. Based on a series of interviews,⁴ this article highlights the difficulty of combatting austerity measures implemented by the Liberals since their return to power in 2014 at the provincial level. This difficulty pertains mainly to what austerity really is, how blurry its consequences really are, and how fragmented the different actors are in challenging austerity among themselves.

Austerity is before all an ideology. If the practical and negative consequences of it are mentioned, most of the time, the assessment of its consequences are most difficult to grasp. However, this remark should not erase the divisions between, on the one hand, actors directly related to the management of public infrastructures and/or the promotion of the business milieu – including government officials – and on the other hand those coming from the voluntary sector, community organizations and the labour movement.

In Montreal, the position taken by the local authority has been driven by ‘opportunism’, reflecting the configuration of power relations among the actors having a say in local politics. These circumstances must be reconciled with what has been going on at the two upper tiers of the state. On one hand, the recent Federal election of October 2015 brought Justin Trudeau and the Liberal Party of Canada to power, introducing a major shift in federal policy about public debt and public spending. The

⁴ Between October and December 2015 we did 11 interviews with public sector community workers and activists, trade unionists, public managers, one elected official and a representative of a pressure group linked to the business milieu. We also followed the political debate around austerity issues in Canada. This debate has taken a new orientation since the federal election with the coming to power of the Liberal Party defending a pro-Keynesian type of approach.

newly elected government thus replaced the Conservative Party who had been in power for almost ten years (from February 6, 2006 to November 4, 2015) with the mandate of restraining growth in public expenditures and pursuing a policy of austerity, and instead adopted a Keynesian approach. On the other hand, at the provincial level, the Québec Liberal Party, in power since April 2014, has set as its task reducing the provincial budget deficit. Once in power, Premier Philippe Couillard decided to implement drastic measures for cutting expenses in health care and education systems, welfare programs and salaries of government employees. Instead of qualifying his policy as one of austerity, he preferred to say that his approach was characterized by “rigour” (*rigueur* in French).

The meaning and impact of austerity thus largely depends on which tier is implementing those policies. This makes it even more difficult to appraise the effective consequences of public austerity measures, especially if we go beyond narratives and representations, and pay attention to effective policies, programs and projects. In that respect, local representatives, as it may happen in other federal systems (but to what extent?), have to play one upper tier of the state against the other or, when possible, collaborate with both of them despite the presence of conflicting dominant ideological beliefs.

Meanings of Austerity

Austerity is a notion with an abundance of meanings, even though it is fraught with a strong neoliberal connotation. Everyone was well aware of this reality among our respondents. Beyond this, a majority of them expressed a real concern when it comes to the repercussions of policy measures adopted in the name of austerity towards the poor and/or households with low paying jobs. In the case of trade union representatives, austerity is an occasion to continue the fight against those who are well positioned in the economic system. Thus, a trade union representative did not hesitate to combine it with the deterioration of public services, but also with the slogan coined by the Occupy

movement in reference to the one percent. In that respect, it is necessary to combat austerity:

“(…) Of course I see this as a necessary struggle to put an end to this, this type of politics, so that we can aim for the well-being, the common well-being, instead of enriching a single community” (Montreal-TU1-F).

Several respondents shared this principle. Even if they do not agree from the outset about the most efficient strategy to overcome the negative repercussions of austerity measures, they nonetheless express similar concerns about its main issue. There is no doubt, not only on the side of the more vociferous left but more largely on the political spectrum, that austerity coincides with a conservative vision of society. In that respect, according to a planner working at the city-regional scale:

“Austerity, it’s (...) a conservative approach which aims at reducing public administrations’ costs (...) and justifies an economic context or using an economic context as a pretext to impose this kind of public policies. But it is a choice. It’s wrong to say it is objective. It’s a political choice. Fundamentally, it’s a conservative political choice” (Montreal-PM3-M).

Nonetheless, in that respect, austerity needs to be contextualized. As a community worker recalled, talking in terms of austerity when facing major government deficit and debt ratios is one thing, and much different from the one encountered in Quebec.

What is at stake here is clearly the promotion of a different vision of the state, in comparison, for example, to the “Quebec model” – a social model of development – elaborated during the so-called ‘Quiet Revolution’. Ultimately, what should the state look like?

“If you ask me what is, for me, austerity, relating to my culture, my background, it’s a different vision from that of the State. We want more space for the private sector. We want to change things. We want to reduce the size of the State, but this is not because of an economic crisis

situation or in front of some urgency (...). We really have a different vision of what the State should be. What should social politics be?” (Montreal-VSE2-M).

The idea or the project of reforming the state is not recent. In fact, it has been observed in most Western countries since the middle of the 1970s. At that time, the legitimacy given to the state for the regulation of modern societies seemed already functionally inadequate or unable either to fulfill expectations of social mobility or to meet successfully a number of social demands. The first signs of shortness of breath of a “state-centred” model of governance were already occurring (Hamel & Jouve 2006). But those were only the first steps of a long journey for state restructuring, one that has not been completely achieved.

The current situation – the one prevailing since the Quebec election of the Liberal government of Philippe Couillard – is the continuation of a tradition of liberal influence, carrying out a reading that the state is oversized, while overtaxed citizens are at risk of being attracted to a populist discourse. This is the thesis elaborated by the economists Micklethwait and Wooldridge (2015) who wrote *The Fourth Revolution. The Global Race to Reinvent the State*. Inspired by their thesis, Couillard came to power with a mission to reinvent the Quebec state. As he mentioned in his inaugural speech as Premier: “International experience shows that simple austerity without structural reforms and growth measure can slow down the economy and worsen the situation” (quoted by Dutrisac 2016). From then on, his intention was not only to implement a culture of “rigour” as he liked to say – instead of referring to austerity as such – but, in a more daring manner, to transform in depth the nature of the state. As such, it is not simply a passing policy but a more profound historical process of restructuring the state.

Where Does Austerity “Bite”? At the outset, one has to keep in mind four points. First, in comparison to other North American cities in terms of economic dynamism, Montreal is trying to catch up as is revealed by standard indicators like the high rate of immigrants’ unemployment in comparison with non-immigrants, or the weak rate of

university graduates per capita.⁵ Nonetheless, one can say that Montreal is currently experiencing an economic catching-up (Institut du Québec 2015). Second, the erosion of Montreal's position within the Canadian economic system was aggravated by difficulties of adaption to the new economy, causing a lack of job opportunities for new immigrants. Thirdly, Montreal remains a liveable city and this is due to a mix of several elements: a) the peaceful cohabitation of diverse communities (Germain and Rose 2000); b) the strong vitality of its civil society including the community and/or voluntary sector; c) the presence of a distinctive and original cultural life that was originally fueled by linguistic divide. Fourth, one can mention the presence of lesser social inequalities in comparison to other Canadian provinces (Desrosiers 2015). And this is due to the presence of stronger social policies, including more redistributive ones.

Taking these several elements into account, can we better understand how social actors are able to face austerity policies and austerity measures? The main narratives link austerity measures to the 2008 crisis. In the case of Canada, the banking system was less vulnerable than in the U.S. and was therefore less hard hit by the crisis. However, as the Canadian economy is largely entrenched in what is going on south of the border, indirectly the impact of the U.S. financial crisis was still felt in Canada, especially in tourism. On the whole, there was no direct relation between the financial crisis of 2008 in the U.S. and major cuts in Canadian social programs or public services. Up to November 2015, it was more the neoliberal type of orientation taken by the Harper

⁵ However, such a representation, defining cities as a collective actor proves misleading. Indirectly, this is suggested by regime theory where elite or dominant actors are defined as being able to impose a specific urban regime, or to exert their hegemony over urban development perspectives. Such a vision should be criticized. At the same time, this critique must be qualified. Urban milieus can become creative places and this is related to synergy between a geographical environment and individual competencies. In that respect, a particular city has necessarily a unique personality due to historical and cultural factors. See Gunnar Törnqvist (1985).

government at the federal level – based on ideological principles – that was a concern, largely in tune with the position taken by the Couillard government since he came to power.

The Process of State Restructuring and its Multiple and Fragmented Consequences

Austerity and welfare reform in Montreal, in Quebec and in Canada is an ongoing issue that dates back to the crisis of the Welfare State as it has occurred or been deployed in OECD countries since the middle of the 1970s. As Pierre Rosanvallon (1981) has correctly underlined, this crisis is before all a legitimacy crisis. For that matter it is particularly difficult to grasp, especially in a federal context like Canada, where responsibilities are divided between the two upper tiers of the state. In addition, as mentioned previously, even though municipalities are subordinated to provincial powers, their direct and indirect responsibilities regarding welfare are growing. This can be explained less by internal factors inherent to the Canadian federal system than through globalizing trends bringing the local scene in the forefront of economic and social transformations.

Nowadays, the repercussions of the Welfare State crisis are highly diversified depending on reference groups. But few dimensions of the Welfare State have remained the same. Even the principles of social solidarity underlying the ideal model for the provision of social protection are no longer quite what they used to be. In that respect, the *problématique* of governance can highlight the deadlocks of this model or at least some of the aspects. In this regard, even if this is difficult to assess in a very specific way – and in the short term – a number of respondents have mentioned that the lowest income households and/or individuals were the most severely affected by the austerity measures and policies taken by the Liberal provincial government following its election in 2014. This is mentioned in reference to areas like social assistance, housing conditions, health and education, but also in connection with public services generally speaking. In these areas, the decision to cut

investments and/or jobs – particularly regarding the provision of personal services – necessarily has consequences in the short or medium term on those who are most vulnerable.

What occurred in these areas took different paths. It ranged from a reduction of budgets for Centers for Early Childhood (CEC) to a decline of investments in voluntary sector or community groups, to new rules for financing those who are eligible for social assistance program, and offering new working conditions to the workers of the public sector, asking them to “do their part” for reducing the public debt of the provincial government. But it included also some transformations in the management of public services through the abolition of social representation mechanisms. Incidentally, it has been the case in the health system, in terms of regional cooperation and local economic development.

What should also be taken into account is the major restructuring of employment. Work conditions are increasingly precarious and this is a direct consequence of a reorganization of the economic system at a local and global scale. As mentioned by one respondent involved in the labour movement, it is becoming more and more difficult for workers:

“Montréal was effected at different levels. Firstly, many people lost their job. Secondly, there’s a high percentage of workers here in Montréal with precarious jobs who were affected by the crisis. This crisis further threatened their work conditions. (...) From the top of my head, I think that 41% of the workers in Montreal live under the poverty line” (Montreal-TU1-F).

It is a well-known fact that Montreal – starting with low paid workers and single parent families – is deeply affected by poverty. And this poverty is highly concentrated in low-income neighborhoods, even though the same is observed in the two other largest Census Metropolitan Areas (CMAs) in Canada: Toronto and Vancouver.

Nonetheless, it is in Montreal that this concentration is higher. This was documented in the national household census of 2011:

“Montreal had the greatest number of low-income neighborhoods. Of all 478 low-income neighborhoods in Canada, 35.8% or 171 were in Montreal. Toronto and Vancouver accounted respectively for 15.7% and 7.1% of these neighborhoods. The three largest CMAs accounted for 63.1% of the low-income population living in low-income neighborhoods. Of the total 656,000 low-income persons living in low-income neighborhoods, Montreal had the highest share (34.3%), with Toronto having 19.7% and Vancouver, 9.1%. A similar picture emerged for the very low-income neighbourhoods, even though the ranking changed slightly (...)” (Statistics Canada 2011: 6).

This situation has persisted over many decades, dating back to the 1950s and 1960s. It is related to the difficulty of integrating the labour market, but it is also linked to the opportunity of finding available housing since gentrification processes – even if gentrification is much less pervasive than in Vancouver or Toronto – are changing the social and ethnic composition of neighborhoods.

According to one of our respondents working as a volunteer with a community group in the environmental sector, these ongoing transformations related to gentrification have dire repercussions on local populations in terms of increasing poverty:

“I’ve been working since 1984 in Saint-Henri [a working class neighbourhood]. What we saw was, first of all, a change in the population. There have been no notable new constructions to start with, which is not the case in other neighborhood. However, it is visible, there has been something like a change in the population. The question is: what happen to those with little income? Here we’re not only talking about those benefiting from

the welfare. People in general, small workers, minimum wage workers who cannot afford to live in this neighborhood because land values go up and landlords sell or rent to richer tenants. So there is a displacing of the traditional population. This is not a new phenomenon but it has probably increased” (Montreal-VSE1-M).

The system of social assistance prevailing in Quebec – and this is applying for people living in the Montreal city-region – support individual and/or households who are no longer receiving the employment insurance benefits or who are out of work for diverse reasons. Following his political discourse and orientation towards austerity, the Couillard government has decided to reform the welfare program. But as one community worker underlined, it is still difficult to predict what will come out of it:

“We have to see what will happen concretely. I don’t know. It’s not the first time. Cuts in social and welfare programs and reforms in employment incentives have been announced for the last 20 to 25 years. It never worked. They never really went all the way to the end of this logic either. I’m not convinced it will work this time...It’s difficult to say because, paradoxically, the Liberals introduced measures for the underprivileged. During Charest’s era, for example, we increased the Family Allowance. (...) We could be surprised at one point. I believe they’re sufficiently capable and intelligent to stop the underprivileged from suffering the worse repercussions. They can choose to increase their levels of income even if this negatively affects the middle classes (...)” (Montreal-VSE2-M).

For the time being, according to the minister François Blais responsible for this, it seems that this specific reform – draft Bill 70 that has not yet

been adopted by the National Assembly – should finally be less harmful for the poor than initially planned.

In this respect, the minister has mentioned that the negative impacts will not effect more than 3 to 4% of welfare recipients. This is at least what one journalist reported:

“Every year, there are 17 000 new job seekers. This program could ‘offer more’ with a work integration or back-to-school plan for example. Allowance would be higher but there would also be “the possibility for penalties if they don’t follow the plan”. “What is important is the existence of consequences. I will take the OCDE’s expressions: moderate but strict, so people get a new job as fast as possible”, explained M. Blais. The minister did not want to precise how high these penalties would be. (...) Precisions will be in the regulations submitted after the Law is passed. The Objective Dignity Collective, a convergence of different social groups, asks the government to renounce to the penalties, “to abandon this punitive approach and other obnoxious measures which will further threaten people’s conditions” (Chouinard 2016).

As we can see it is not yet possible to assess properly this reform. In any event, a number of precautions will have to be taken in order to understand its impact regarding growing social inequalities. As such, consequences of austerity are blurred and difficult to assess. Nonetheless, our research shows that certain populations are more at risk of being negatively effected by such policies.

Migration, Ethnicity and Marginalisation

Among those who are most adversely effected by austerity measures, new immigrants are at the forefront. They are struck directly and indirectly by political decisions intended to reduce the budgets of welfare programs and public services. But it is also the general economic situation that is worrying. A good example is tourism because it is probably one of the few economic sectors where new immigrants can find jobs. As underlined by one respondent working for a non-profit corporation promoting that sector, the financial crisis of 2008 and

subsequent years in the USA had a negative impact on tourism dynamism in Montreal. The result has been a decline in employment in hotels and restaurants:

“On the other side, when tourism goes up, there are more jobs. (...) There are more housework and maintenance jobs for women in hotels, for example. Many immigrants take up these jobs. Tourism is probably one of the sectors where most newly arrived immigrants are employed. So when the tourism industry is hit by a crisis, as this was the case in 2008, 2009 and 2010, we can talk about a tendency to precariousness” (Montreal-CG1-M).

Even though it must be underlined that working conditions in the hotel sector in Montreal are better in comparison to most other North American cities, mainly due to high unionization rates (Montreal-CG1-M), this does not mean that poor people are in an enviable position. In fact, if we look at the example of public transit users' costs, they are the ones who are affected by access inequalities. This was expressed by a local elected politician:

“You have to look at those who work for the minimum wage, little more than 10\$ an hour, these throngs of immigrants who make up Montreal's new population, who live in insalubrious housing, who pay 82.50\$ for their public transit passes, who are the only ones taking the metro at 5:30 am on Sunday mornings when the metro opens. All these women who converge towards the city-center to prepare breakfasts and make the beds, they, they pay shit-loads! There is a cost to living in such miserable conditions. I've talked about immigrant populations but many French and English-speaking people also live in similar situations” (Montreal-EP1-M).

The Voluntary Sector: A Dual Approach. Since the beginning of 2015, the voluntary sector has been concerned by the possible negative impacts of reforms that have taken place at the same time in several sectors (education, health, welfare, kindergarten) by the provincial government in the name of a rigorous rationality while pursuing a process of state restructuring. This is the reason why the leaders of the most important private foundations in Quebec have joined forces to raise public awareness about the ongoing reforms and the threat of increasing social inequalities:

“For the first time, Quebec-based foundations come together and jointly talk about the fears and concerns of the people, families and communities they support. At a time when government programs are being called into question and the tax system is being thoroughly examined, we ask ourselves what are the possible impacts of these changes on society. We are particularly concerned by the increase in social inequalities, a growing world phenomenon which calls for more watchfulness on the part of credible economic organizations and well-known political leaders. (...) It is probably due time, today, to examine if the means we gave ourselves are still the most efficient. But there is something the Quebecois don’t call into question: the objective of a society which offers its chance to each and every one. We believe it is useful to remember this great consensus in Quebec, consensus which was illustrated by the Law on the elimination of poverty and social exclusion which was unanimously voted at the National Assembly in 2002” (Fondation Béati *et al.* 2015: 1-2).

The position taken by the leaders of private foundations – financing social and community-related initiatives – was the result of a collective endeavour. At the same time, some were pro-active on their own, as was

the case with Centraide of Greater Montreal.⁶ Likewise, a representative of Centraide did not hesitate writing to Quebec Premier Philippe Couillard:

“Last year, I wrote a letter to the Prime Minister to inform him that I was preoccupied by the measures that were being taken. And I never got an official answer. But the minister Hamad called me to schedule a meeting. This has not yet happened. But us, we're not going to take the streets. It's not our role but we have to raise awareness and talk to people to tell them: 'Listen, we're going to have a general description. This is the global description we are aware of. Are you aware that all this is happening?' This is our job.” (Montreal-CBO1-F).

Actors, Strategies and Tactics. Shall we say that, in Montreal, a strategy prevails among the main components of the local State for promoting austerity? Prior to the last Federal election,⁷ even though there was no agreement or concerted effort between the three tiers of the state, a general culture of austerity was shared by the elected politicians in power. And, in addition to a reduction of public services through budget cuts, this culture has resulted in a reduction of the number of public service employees. As such, there was no strategy, no coherent plan that everyone agreed upon. Nonetheless, there seems to be an urgency of reducing public debt that made consensus among those in power possible. In the field of welfare, as well as in other fields, the same philosophy was conveyed. It was as if the priority was to reduce the public debt and that no doubt was to be evoked about such a goal. Who will suffer, in what ways, and by how much were not concerns in that respect. At the provincial level, it is the Treasury Board that is before all

⁶ This private Foundation has the mandate to fight social poverty and exclusion. “In Greater Montreal, one out of seven people receives support from an agency in Centraide’s network.” (Centraide Website)

⁷ As mentioned previously, the Federal election occurred in October 2015.

in charge of defining and implementing austerity measures across public action. There was a large consensus among our respondents who clearly identify this governmental agency and its role.

At the municipal and city-regional scale, the Mayor has in some respects been compliant with austerity. He has decided to abolish several positions in local public administration. This can partly explain why municipal administration finished the fiscal year 2015 with a surplus of 146 millions of dollars (Normandin 2016). At the same time, on some occasions he may stand alongside with citizens and the community sector. His political orientation can be described as determined by a pragmatic approach at least in different areas. He can support some progressive requests, but he is also promoting corporate investors.

The Mayoralty. Urban and regional planning as well as the management of public places and public services in Montreal is quite challenging as the municipality is highly decentralized. Due to this, the Montreal mayor in charge of the borough Ville-Marie – corresponding to the city centre – and has to share responsibility with borough mayors for decisions regarding the whole agglomeration and/or city-region. Montreal is composed of 19 boroughs with specific powers, offering direct services to the population in specific areas. What makes this even more difficult is that in 2006 a new political forum of management was introduced, the Montreal Agglomeration council. This forum includes 15 de-amalgamated suburban municipalities. These municipalities are located on the Island of Montreal but did not accept the status of borough. They preferred recovering their previous statuses as autonomous municipalities that existed before the 2000 municipal reform. This reform amalgamated all the suburban municipalities of the island of Montreal with the old urban neighbourhoods (on the island as well) under the same jurisdiction, creating a megacity. A referendum that took place in 2005 gave those suburban municipalities the opportunity to recover part of their past status. The condition, however, was that they accepted to contribute to the Montreal Agglomeration council with the boroughs.

The Montreal political and administrative reform towards decentralization has generated ambivalence in citizens' minds. On the one hand, the decentralization is promoting a management closer to citizens: it is easier for citizens to be listened to in their borough in comparison to what was experienced regarding participation in the previous municipal situation. On the other hand, power is more diffuse. Sometimes it proves difficult to see who is responsible or in charge of getting things done. As a consequence, citizens are no longer interested or, at least, are getting less involved in local politics.

Mobilization against austerity and contextual constraints. In the face of what has been described in a schematic way, the picture of the fight against austerity measures in Montreal is faced with numerous structural and subjective constraints. Globalization, market liberalization, neoliberal ideology, these elements were not present when the definition of the social-democrat compromise at the root of the Welfare State was elaborated (Manin & Bergounioux 1979), at least not with the proportions that they entailed nowadays. These factors are added to more subjective constraints derived from a tradition of cooperation and conflicts among the community sector and the labour movement. What was striking in the autumn 2015 was the large mobilization that took place. Several initiatives were put forward by social actors. These included large street demonstrations to oppose decisions in the name of budgetary rigour or austerity, asking to stop expenditure cuts, promoting better funding for public services. Many of those initiatives were supported by a coalition created in 2009 in order to fight against austerity measures regrouping 77 organizations from the community sector and the labour movement: *La coalition opposée à la tarification et à la privatisation des services publics.*

The street demonstrations organized by the coalition were widely covered by the media. The same prevailed following other citizen initiatives for preserving school services or the Centers for Early Childhood (CEC). All those events and mobilizations must be contrasted however with what occurred on a professional and sectorial basis. Over

the last half of 2016, what has occurred can be described as negotiation in ‘silos’ between the provincial government and public sector workers. It was as if everyone was somehow more concerned with taking advantage of the conjuncture than to oppose injustices and discretionary measures implemented by the government in regard to the common good. Within the health system, for example, there was a clear strategy by reformers and state negotiators to divide and play one section against the other (primary care physicians against specialist doctors, nurses against other workers in the health system, and so on). And a similar logic prevailed among the main sectors (health, education, welfare) of public services. The Quebec government – and to a certain extent professional associations and/or professional trade unions – established a balance of power among those sectors. It was as if everyone was trapped in the “iron cage” of state bureaucracy.

Some respondents were aware of the challenges inherent to ongoing state restructuring, including the reconfiguration of social and political practices. What is at stake goes back to an understanding of state responsibility and modalities of public service provision. It is also how the “Quebec model” in connection with the Welfare State was defined and redefined in the 1960s and 1970s and during the subsequent years by direct and indirect contributions of major trade union organizations and the community sector. From then on, questions have been raised regarding cooperation among civil society actors. How is it possible for community organizing actors and labour activists to continue working together? How is it possible for them to overcome old corporatist divisions? As one respondent mentioned:

“On one side there is the eternal alliance between the community organizations and the trade unions, on the other side community organizations are subjected to trade unions (...) Of course the trade union movement is stronger and more present. There are also more people in the streets when trade unions want to demonstrate. Trade unions are more present in the media. If

community organizations do something, on their side, we won't talk much about it or we'll say it's a trade unions' demonstration even though there were only four trade unions' signs" (Montreal-VSE2-M).

"We also need to keep in mind, as it was underlined that the Montreal situation is different to the rest of the Quebec territory. In Montreal, social networks are stronger and better developed: "We're lucky we have the neighborhood coordination tables [*tables de quartier*] which are not financed by the provincial government" (Montreal-CBO1-F).

One community worker provided a comment along similar lines: "In the regions, there aren't all those structures like in Montreal, and they don't have all these networks like we already have in Montreal, it's not the same way of working either" (Montreal-VSE2-M). He also commented on the fact that for the life and vitality of the community sector the budget cuts outside Montreal (in other Quebec regions) had more negative impacts.

In this respect, another element must be taken into account: the fact that a discrepancy exists between what is elaborated at the political level in regards to austerity measures and the way these are subsequently implemented. To a certain extent, it seems that the public managers (government officials) with whom community workers are dealing with convey an accommodating attitude. According to one neighbourhood respondent:

"We, in our case, it's paradoxical because at the national level [the Quebec territory] you have different policies being put in place. There are decisions taken and these have impacts in a context of austerity. The impacts are lived at our own level but, paradoxically, we work with agents of the State who are on the ground and who do not necessarily agree with the decisions which are being taken, up in the government. So we are in a weird situation because we work with civil servants to

somewhat sooth what is happening and temper the decisions taken by their own government” (Montreal-VSE2-M).

Collaborative Governance and Actors’ Fragmentation

The local voluntary sector in Montreal is diversified and professionalized. It is also entrenched in public policies. But the following should be added: this sector is characterized by a process of constant “recomposition.” This is certainly not specific to Montreal. What is, however, pertains to the specificity of the challenges different social actors are facing in Montreal. Several complementary readings of those challenges are possible according to what is emphasized: child poverty, gender inequalities, new immigrants’ discrimination and exclusion, social welfare, environmental issues.⁸ neighborhood revitalization, economic dynamism, and so on. Depending on the respondents we speak to, variations are expressed:

“The fear or the fact that there will be no increase in wages and all this at the level of the public services, of health and education services, this has a major impact. What we directly feel, it's definitely in the education sector, in the school: when there are no more specialized services, we go to the community organizations. And of this, we strongly feel the effects. Same thing with health and social services: everything that was helping, for example, people with mental health issues or that offered services to handicapped people, it is clear that there are important effects. I can't tell I know other sectors sufficiently... I can't talk about culture because I don't

⁸ The specificity of specialized or sector reading is well reflected in the comments of a respondent from the environment sector: “Environment organizations, like popular education organizations, have long been a special sector. They have been close to the community sector in general but we are a quite specific sector” (Montreal-VSE1-M: 13).

know much about this. But I believe that the decisions which were taken in this sector have impacts too” (Montreal-CBO1-F).

In some respect, beyond this observation the consequences of austerity measures are blurred. It remains difficult to carry out a clear assessment of their effective consequences in terms of negative impacts toward the most underprivileged. A community worker of the neighborhood tables we spoke to has brought to light the necessity to be nuanced when it comes to assess the concrete effects of these measures. Sometimes it is easy to see those when professional contracts are not renewed, as was the case in the educational and health care systems. But it is not always like this. If the decisions taken by the Couillard government in regards to austerity are strongly criticized by all the respondents when deterioration of the life conditions of the most deprived social groups are involved, the intention behind those decisions – balancing the budget – is not necessarily perceived negatively. What is questioned, however, is the time-frame that was chosen by the government as well as the final target intended (see Montreal-CG2-F).

Thus, there is room for nuance when it comes to weighing the government’s intentions. But this result does not explain why it is difficult to resist and combat government policies efficiently. The explanations must be situated on the subjective side of collective action. In other words, the divisions among social actors are still too important:

“On the side of the trade unions, we feel there is anger and discontent, we feel more people are ready to lose part of their salary for their convictions. We see it with the teachers. But I don’t think we’re on the brink of having trade union movements going on indefinite or illegal strikes with their members ready to follow a general mobilization. We’re not there yet. After all, the rubber band hasn’t snapped yet. And as long as some players will come winning out of all this, it will be difficult. It is not the case of all the underprivileged. They

don't really win anything in all this" (Montreal-VSE2-M).

Issues of leadership – including how the hegemony over the struggle against austerity policies was defined – are at stake, but beyond this it is the diversity of interests that is problematic. Some believe that they will perform better than others. In other words, social solidarity values revealed too weak for not letting corporate and/or special interests to take over in terms of convincing social actors of the merit to define a collective strategy. This comment does not mean that austerity policies and measures will not have several negative impacts on life conditions. The fact is that it is extremely difficult to assess. Yes, there will be fewer professional services in schools. Yes, it will cost more for households to send their children to CEC. But who will be most affected and to what extent remains difficult to predict for the time being.

Regarding the community sector and how it will be transformed, it is also too soon to foresee. Nonetheless one has to keep in mind that the precariousness of the situation for the community sector is anything but new, dating back to at least the 1980s (Hamel 1993). Thus, it is not surprising that from time to time researchers and activists bring to the fore that community organizations are underfinanced due to the fact that the rise of government subsidies are below the increase in the costs of living (LaSalle 2016). Those who are working the neighborhood tables are well aware of that. From a more general standpoint, austerity certainly offers a diversified challenge in terms of collaboration even though no one is facing it with a carefree attitude.

For professionals working with the private sector, it is clear that collaboration can be a useful factor to face adversity. However, collaboration can be weakened:

“Within an austerity context when everyone feels itself adversely affected, collaboration is more fragile, because everyone can eventually be targeted by the government. Thus, before protecting someone else’s turf, the first thing that comes to mind is: okay, let’s protect our turf

first. Once given, it will be easier to make offers to our allies for helping them” (Montreal–CG2-F).

For public managers working in planning processes at the city-regional scale, collaboration is the name of the game, austerity or not:

“collaboration, this is what we do. It is the very nature of our organization.” (Montreal, PM3-M) For the Montreal Metropolitan Community (MMC) – the authority in charge of planning urban and economic development at a city-regional scale –, governance and austerity are a concern but do not have a major impact on the culture of the organization, because “on the side of public administration, governance goes with an open attitude towards civil society, but also with an opening to the components of public administration” (Montreal, PM3-M).

These few examples bring to the fore diverse situations. When it comes to facing austerity practically, depending on institutional affiliations, attitudes can vary according to the constraints. Beyond ideological beliefs, structural and/or organizational factors must be taken into account for understanding the possibilities and the terms of collaboration among actors.

Conclusion

Austerity in Montreal is rooted in a profound process of state restructuring that occurs simultaneously at the different tiers of the federal system. It is largely viewed as an ideology, much more than as a necessary “crisis policy” as it may be seen in other countries. The effects of this process are multiple and diversified but remain difficult to clearly grasp. In front of this process, social actors are ambivalent: they need to cope with and contest these policies and, at the same time, strive to survive and continue to work. In the end, they remain very fragmented. What now needs to be explored is how this unfolds at the level of the

city-region, and how social actors collaborate or fight against each other in the context of austerity and state restructuring.

References

- Chouinard, T. (2016, Mars 14). Réforme de l'aide sociale : des pénalités 'modérées mais strictes' dit Blais. *La Presse*, <http://www.lapresse.ca/actualites/politique/politique-quebecoise/201603/14/01-4960571-reforme-de-laide-sociale-des-penalites-moderees-mais-strictes-dit-blais.php>
- Desrosiers, É. (2015, Mai 23). Redistribuer de la richesse pour en créer. *Le Devoir*, <http://www.ledevoir.com/economie/actualites-economiques/440831/perspectives-redistribuer-la-richeesse-pour-en-creeer>
- Dutrisac, R. (2016, Mars 16). Au-delà de l'austérité, une volonté de changer l'État. *Le Devoir*, <http://www.ledevoir.com/non-classe/465587/au-dela-de-l-austerite-une-volonte-de-changer-l-etat> Fondation
- Fondation Béati *et al.* (2015, Mars 11). Les risques de la rigueur budgétaire, Communiqué de presse, Montréal. *Le Devoir*, <http://www.ledevoir.com/politique/quebec/434025/de-grandes-fondations-privées-inquietes-les-risques-de-la-rigueur-budgetaire>
- Germain, A., & D. Rose. (2000). *Montréal: The Quest for a Metropolis*. New York, Wiley.
- Hamel, P. (1993). Contrôle ou changement social à l'heure du partenariat. *Sociologie et sociétés*, 25(1), 173-188.
- Hamel, P., & B. Jouve. (2006). *Un modèle québécois? Gouvernance et participation dans la gestion publique*. Montréal: Presses de l'Université de Montréal.
- Institut du Québec. (2015). *Comparer Montréal. Tableau de bord de la région métropolitaine de Montréal, Rapport*. Montréal: Institut du Québec.

- LaSalle, M. (2016, février 29). Les organismes communautaires en santé et services sociaux étouffent. *Journal Forum*, <http://nouvelles.umontreal.ca/article/2016/02/29/les-organismes-communautaires-en-sante-et-services-sociaux-etouffent/>
- Lightbody, J. (2006). *City Politics, Canada*. Peterborough: Broadview Press.
- Löwy, M. (2013). *La cage d'acier. Max Weber et le marxisme wébérien*. Paris : Stock.
- Manin, B., & A. Bergounioux. (1979). *La social-démocratie ou le compromis*. Paris: PUF.
- Micklethwait, J., & A. Wooldridge. (2014). *The Fourth Revolution: The Global Race to Reinvent the State*. New York: Penguin Books.
- Normandin, P.A. (2016, Avril 13). Montréal termine 2015 avec un surplus de 146 millions. *La Presse*, <http://www.lapresse.ca/actualites/montreal/201604/13/01-4970672-montreal-termine-2015-avec-un-surplus-de-146-millions.php>
- Rosanvallon, P. (1981). *La crise de l'État-providence*. Paris: Éditions du Seuil.
- Statistics Canada (2011). "Persons living in low-income neighbourhoods" (NHS in Brief) Catalogue no. 99-014-X2011003. Ottawa: Statistics Canada.
- Törnqvist, G. (1985). "Créativité et développement régional" in Boisvert, M., & P. Hamel (eds) *Redéploiement industriel et planification régionale. Textes rassemblés et présentés par*, Montréal (pp.107-130). Cahiers de recherche, Faculté de l'aménagement. Université de Montréal.