

# **Sell with Impact**

Stories and Research from the Canadian Social Enterprise Sector



**Buy Social Canada** 

September 2023

### **Acknowledgements**

Social enterprise is the business model our economies, communities and the planet need to thrive sustainably. Marketplace revolution requires advocates, innovators, and community builders. Thank you to everyone who is working to advance social enterprise and social procurement across Canada and the world.

Special thanks to our Certified Social Enterprises who responded to the Social Enterprise State of the Sector Survey and took time to share stories and information with us. Your commitment to social enterprise as a tool for community wellbeing is an example of what is possible when we commit to marketplace revolution and put people and planet before profits.

The cover page features photos from Certified Social Enterprises (from top right, clockwise): The Raw Carrot, CleanStart Property Services, Binners' Project, SmartICE, Ampersand Café (Metroworks), and Hiregood.



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### **Foreword**

We're pleased to share with you the Sell with Impact: Stories and Research from the Canadian Social Enterprise Sector report. This report represents so much more than a snapshot of the social enterprise sector in Canada. The findings are a celebration, and a call to action.

The research reflects the initiatives of many individuals, organizations and communities that have used social enterprise to address social and economic challenges in their communities.

There are too many individuals and local efforts to mention, but here are a few milestones that reflect the sector growth across Canada in the past twenty years:

- 2004: Toronto Enterprise Fund hosts the first Canadian Conference on Social Enterprise
- 2005: Vancity Community Foundation publishes the Guide to Social Enterprise in Canada
- 2008: Social Enterprise Council of Canada is founded
- 2013: Social Enterprise World Forum takes place in Calgary
- 2014: Buy Social Canada launches
- 2016: Elson, Hall and Wamucii share the Canadian Social Enterprise Sector Survey Project
- 2017: Federal Ministry Employment and Social Development Canada (ESDC) funds the Social Enterprise Ecosystem Project, S4ES
- 2020 to 2022: COVID moves the sector to a local focus and virtual connections.

As you will see from the data in this report, social enterprises in Canada are solidly embedded in communities, work across business models, and deliver a vast array of goods and services. They create significant revenues, employment, and social impact.

This is an opportunity to celebrate and recognize the effort that has gone into building these social enterprises, the lives they have changed, and the community well-being they have created.

But we also take this moment to look at the continuing challenges that face our communities: housing, poverty, social exclusion, climate change, and inequality. We must examine how we can accelerate the momentum and capacity of social enterprise to address these continuing concerns and contribute to building community capital for healthy communities.

Clizabeth Chick-Blount

Elizabeth Chick-Blount, CEO of Buy Social Canada

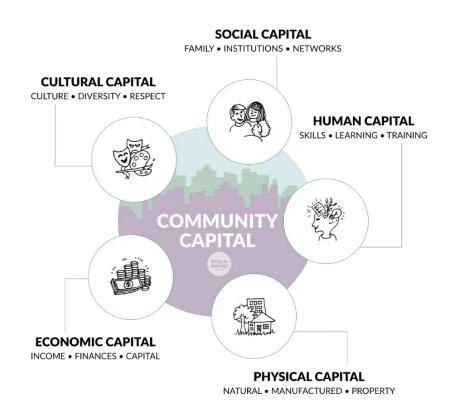
### Introduction

Social enterprise is a powerful business model to tackle the challenges our economy and communities are facing today.

This research shows that social enterprises are taking on many social and systemic challenges simultaneously, while also running successful businesses and creating positive financial outcomes for their employees and communities.

When you purchase from a social enterprise, you are using your purchasing to support businesses that put people and planet over profit maximization. Social enterprises use business to create a powerful and positive ripple effect in our communities, building community capital.

Figure 1 Community Capital



This report shares data from a survey of 132 Buy Social Canada Certified Social Enterprises operating across Canada, along with stories of innovation and impact.

A social enterprise is a business that sells goods and services, embeds a social, cultural or environmental purpose into the business, and reinvests the majority of profits into their social mission. This definition is internationally aligned with <u>Social Enterprise</u> <u>World Forum</u>, <u>Social Enterprise UK</u>, <u>Buy Social Scotland</u>, <u>Social Traders</u> in Australia, <u>Buy Social USA</u>, <u>Buy Social Ireland</u>, and many others.

Social enterprises:

### Sell Goods & Services

At least 50% of the business' revenue comes from the sales of goods and services.

# Are Mission Driven

They have an embedded mission to achieve social, cultural or environmental goals through the sale of goods and services.

### Reinvest Profits

51% or more of the business' profits go back into their social, cultural or environmental mission.

Social enterprises sell everything: chocolate and honey, corporate catering, junk removal, construction services, healthcare, family services, employment assistance, arts and crafts, and much more. They compete with traditional for-profit businesses in the market, but they use their earnings to help create vibrant, healthy communities instead of shareholder wealth.

This research builds on insights from previous studies including Hall, Elson and Wamucii's 2016 <u>Canadian Social Enterprise Sector Survey Project</u>, and Buy Social Canada's Downtown Eastside Social Enterprise Impact Reports from <u>2019</u> and <u>2020</u>.

In the Sell with Impact: Stories and Research from the Canadian Social Enterprise Sector report, you'll see updated data from 2022, drawing from a national survey of Certified Social Enterprises.

We know the research presented in this report doesn't capture all social enterprises in Canada. Buy Social Canada has certified 212 social enterprises across Canada, but there are many more. Some may not see themselves as a social enterprise or they aren't aware of what a social enterprise is.

As this research shows, social enterprises work tirelessly to prioritize community outcomes and deliver high-quality goods and services in the competitive market. We see the movement for social enterprise growing steadily, as more people acknowledge that the future of business is social enterprise. Social enterprise is the business model whose foundation is built on justice, equity, and inclusion.



### **Survey Snapshot**

This data represents 132 Certified Social Enterprises, from 88 survey responses.



**\$237.2** Million

**Gross revenue in 2022** 

\$185 Million

Gross sales income in 2022

\$3.9 Billion

GreenShield Canada (one social enterprise) reported revenue in 2022



9,029+

**Employees** 

\$141.3 Million

Employee wages paid in 2022

**70%** 

Say financial health is breaking even or better

**85**%

Intentionally provide wraparound supports to staff

# Top 5 Categories of Social Value Creation\*

- 1. Skills training (65%)
- 2. Employment opportunities (60%)
- 3. Social Inclusion (46%)
- 4. Community Development (34%)
- 5. Poverty (34%)

# Top 5 Categories of Goods and Services\*

- 1. Food and catering (27%)
- 2. Employment services (26%)
- **3. Education (23%)**
- 4. Consulting (21%)
- 5. Cleaning (13%)

Key Challenges Faced\* **59**% Access to Markets

**51**% Business Capacity

48% Access to Finance 22%
Business
Development

<sup>\*</sup> Social enterprises could choose multiple responses

#### What is social procurement?

Every purchase has a social, environmental, cultural, and economic impact, whether intended or not. Social procurement is about using your existing purchasing to capture economic, social, environmental, and cultural impacts. By adding positive intention to those impacts, purchasers can contribute to institutional, governmental, or individual goals that help shape inclusive, vibrant, and healthy communities.

Social procurement helps generate demand for businesses which help purchasers to achieve their social, environmental, and cultural goals. This can include purchasing from social enterprises and other social value suppliers including Indigenous-owned businesses, diverse-owned businesses, and co-operatives.

Using a concentric circle model, purchasers can centre businesses that help address their top social, environmental, or cultural goals. If those businesses aren't available, you can consider other types of social value suppliers or expand your search geographically, also taking corporate supply chains into consideration.

At Buy Social Canada, we prioritize purchasing from social enterprise first because that aligns with our mission to advance social enterprise and social procurement.

When we focus on 'best value for money' procurement is much more than a financial transaction, it is a tool for building healthy communities rich in social, human, cultural, economic and physical capital.

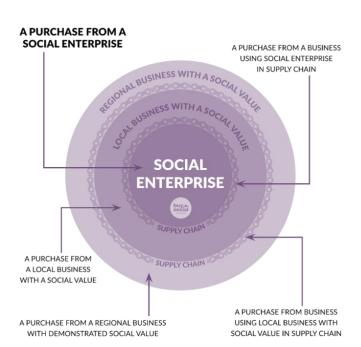


Figure 2 Buy Social Canada Concentric Circle Model



# The State of the Social Enterprise Sector

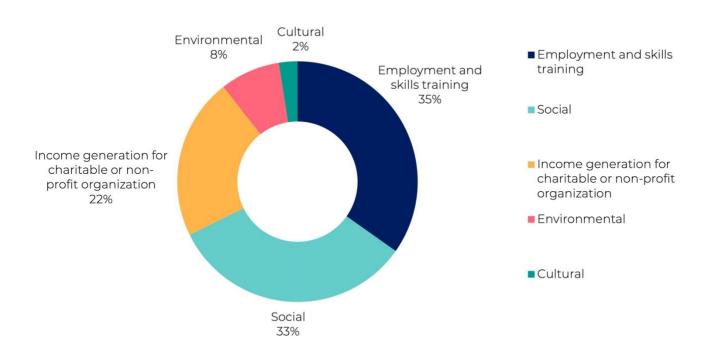
Diving deeper into research and stories

#### **Social Value Creation**

At their core, social enterprises are mission driven. Rather than starting with profits and shareholders at the centre of their endeavours, social enterprises put purpose first. The social, cultural or environmental mission they want to address through their work is the reason social enterprises are created.

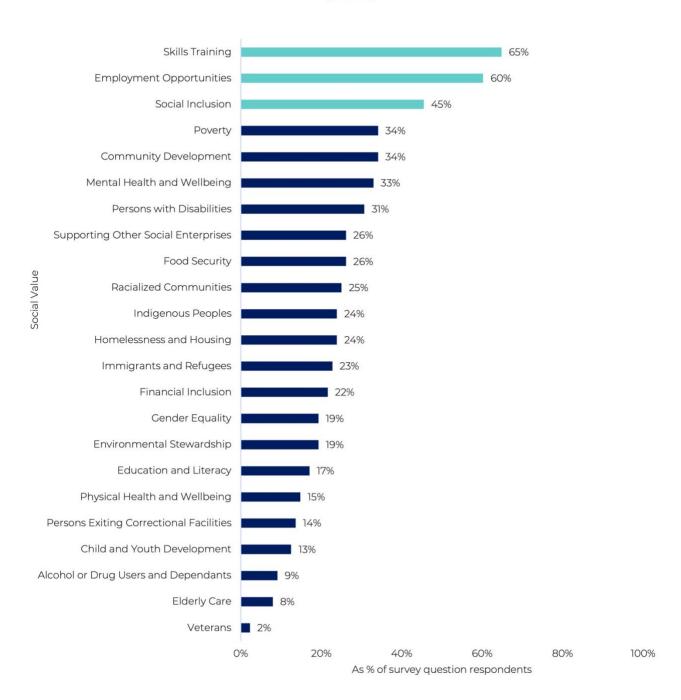
In our survey of 132 Buy Social Canada Certified Social Enterprises from across Canada, the most common primary purpose for social enterprise was employment and skills training, at 35%. This reflects the common mission to support employment for people facing barriers and create economic opportunity and inclusion.

# Primary Purpose as a Social Enterprise (n=88)



We also see social enterprises working to address complex systemic issues, and many social enterprises use their business activities to tackle several, often interconnected, community challenges at once.

# Types of Social Value Creation\* (n=88)



\*Note: Respondents could choose multiple

Although social issues like skills training, employment and social inclusion top the list, many social enterprises are also committed to sustainability.

<u>Binners' Project</u> in Vancouver creates employment opportunities for binners while diverting waste from landfills, offering waste and recycling services and training at public events. A binner is "a person who collects redeemable containers and other things from bins to sustain their livelihood and to divert waste from landfills; a dumpster diver."

<u>SmartICE</u>, headquartered in St. John's, provides innovative technology to monitor sea ice levels in the North, enabling resiliency in the face of climate change while supporting Inuit ways of life. <u>Mother Earth Recycling</u>, an Indigenous Social Enterprise in Winnipeg, creates inclusive employment and training for urban Indigenous community members while providing mattress, box spring, and e-waste recycling services and working towards increased sustainability.

<u>SPICE</u>, the Solar Power Investment Cooperative of Edmonton, is a renewable energy development and investment cooperative committed to supporting community members to transition to renewable energy. Also in Edmonton, <u>Redemptive</u> <u>Developments</u> runs several sustainably minded social enterprises which divert over three million pounds of waste annually.

These social enterprises showcase that we cannot separate social and environmental sustainability. People are part of the environment. By taking a holistic view towards our global challenges we can create more robust solutions.

Climate change response and sustainability initiatives are just one way that social enterprise work contributes to achieving the United Nations' <u>Sustainable</u> <u>Development Goals</u> (SDGs) every day. In particular, social enterprises are taking action on SDG #8 Decent Work and Economic Growth and SDG #10 Reduced Inequalities.\*



\*Note: Respondents could choose multiple

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<sup>&</sup>lt;sup>1</sup> www.binnersproject.org

Social enterprises are also taking on complex issues like food security and access – either through their business offerings, or through reinvestment of profits into programs and initiatives.

<u>Washington Community Market</u>, a social enterprise operated by <u>Community Impact</u>
<u>Real Estate Society</u> (CIRES), sells affordable food to residents in Vancouver's
Downtown Eastside in smaller quantities that are less likely to spoil if you don't have a fridge, and are more affordable on small budgets.

<u>FoodReach</u>, a social enterprise of <u>North York Harvest</u> (NYH) Food Bank, sells wholesale food products primarily to other food banks in the Greater Toronto Area while reinvesting profits back into NYH's mission of poverty reduction and food security. In their survey response, FoodReach estimates that their enterprise reduces food costs for the local food bank sector by eight percent.

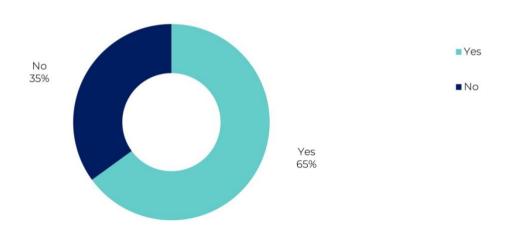
Also in Toronto, <u>Aangen</u> runs multiple social enterprises with the mission of breaking the cycle of poverty and increasing food security. They create small-batch nutrient-dense dehydrated meals, inspired by lack of access to nutritious food options for people with mobility issues during the pandemic.

<u>Fireweed Food Co-op</u> in Winnipeg is a social enterprise co-op for producers and supporters of Manitoba-grown sustainably produced food. They work to support local farmers and agricultural diversity while selling good food at good prices to people in the community.



Understanding the intersectional nature of social issues, social enterprises are also taking action to advance Indigenous reconciliation.

# Is your organization taking action to advance Indigenous Reconciliation and the Truth and Reconciliation Commission's 94 Calls to Action? (n=65)



Examples of how social enterprises are responding to the Truth and Reconciliation Commission's Calls to Action include:

- <u>Choices for Youth</u> supports access to housing for the Indigenous youth they employ.
- <u>First Light</u>, an Indigenous-led social enterprise, has a robust community action plan which includes action for reconciliation.
- <u>FortWhyte Farms</u> reviewed and identified relevant Calls to Action as a team and are now working to address them.
- Translation social enterprises <u>MCIS Language Solutions</u> and <u>RivInt Interpretation and Translation Services</u> both recruit Indigenous language speakers as freelance interpreters and translators, and offer complementary translation training to Indigenous language speakers.
- <u>Purcell Preschool</u> is partially owned by ?aq'am Community, a part of the Ktunaxa Nation. They collaborate and consult with the Community Council to design their curriculum.
- <u>SmartICE</u> is an "Inuit driven" enterprise which incorporates Inuit principles and knowledge in their business practices and internal culture.



#### Adding value through inclusive employment at Hiregood

<u>Hiregood</u> is a social enterprise owned by <u>Boyle Street Community Services</u>, a charitable organization in Edmonton that provides services to people experiencing homelessness and poverty. Hiregood has been active as a business for the past 10 years. They provide washroom attendant services, junk removal, event groundskeeping, pressure washing, litter pick up, and needle disposal.

#### Proven success through inclusive employment

Currently a large percentage of Hiregood's work comes from contracts with the City of Edmonton. Their relationship with the City started with one pilot project where they were invited to participate as washroom attendants for one public washroom. The washroom they were brought on to manage had been taken over by a gang, and Hiregood's job was to "neutralize the space" and make it a safe place for everyone in the community to use.

The pilot was a "proven success," says General Manager Jodi Phelan, largely because of the staff at Hiregood. "You could get someone else to clean the washroom," explains Phelan, "but they can't handle the population. Our team builds relationships and gets respect."

Over time, as they continued to deliver good work, the contract for one site extended to 22 sites throughout Edmonton, including in public libraries and train stations. This work has expanded and Hiregood now has an ongoing relationship with Trickstar, an event organization company which hosts Comedy Fest and RockFest in Edmonton, along with several smaller contracts for junk removal and cleaning.

#### Overcoming stigma to increase community benefits

To continue growing, Phelan shares that they've had to overcome stigma in the community. Before changing their name to Hiregood they used the name of their larger umbrella company, Boyle Street Ventures. People had negative connotations with Boyle Street because of their work with unhoused community members. Since changing their name, business has grown steadily, says Phelan.

In addition, many people assume they get their work only as handouts. Phelan is clear that their contracts with the City aren't handouts. "It's not easy money," she emphasizes, "everything we do has to be absolutely perfect."

Phelan shares that a big internal learning they've had is the need to redefine how they see themselves when faced with stigma from the community.

"We have to start changing the messaging. We're not less than, we're more than, and our staff bring unique experiences that help us do the job well." – Jodi Phelan

Often, Phelan adds, "people think people who are barriered don't have skills, but that's wrong." It's incorrect to assume that employees facing barriers are unskilled labour. Many people Phelan works with have education, experience in the trades, and a wide range of other skills and training.

#### **Employment to change lives**

Hiregood's mission drives their business activities and their desire to grow as a business. "Every contract we get provides more jobs," Phelan says.

Their commitment to their employees is clear in everything they do. All enterprise leadership is trained and brought up from within their team, so most of the management of Hiregood is made up of people with lived experiences of homelessness, drug addiction, the criminal justice system, and more.

In addition to paying a living wage whenever they're able (on a contract-specific basis), Hiregood pays every Friday to help employees pay their bills and gives a contribution bonus of 25% of their net profits to all staff two times a year. Staff turnover in 2022 was low at just 44%, compared to 99% in 2019.

The supportive employment environment Hiregood creates has resulted in <u>meaningful change in people's lives</u>. "We have so many people that come from ... the local shelter, and people are getting housed quickly," Phelan shares.

In addition to support to access housing and other "hands on supports" they provide, Phelan says they "create a social circle" for their 167 staff.

One person Phelan recalls joined the team five years ago, after struggling with heroin addiction and cancer. Now in the organization, she's one of the "strong staff" who supports the others on the team and is a "mother bear" to new employees.

# "In this company, you're never going to be alone." – Jodi Phelan



#### Mission-driven, with an entrepreneurial spirit

Jodi Phelan shares that Hiregood's relationship with the City of Edmonton has grown because they do good work and are competitive with for-profit businesses.

"The City is coming to us more and more because we can move more quickly than other non-profits," Phelan explains. "We're fast because we operate like a business."

As evidence of this, Hiregood recently won two new City contracts that would have previously gone to a more traditional non-profit organization rather than a social enterprise, because they are more nimble and able to respond quickly while still delivering important community outcomes.

Reflecting on their impact in the community, Phelan shares that she believes their inclusive employment is "part of the answer to homelessness."

"Everyone needs to go social enterprise!" she concludes.

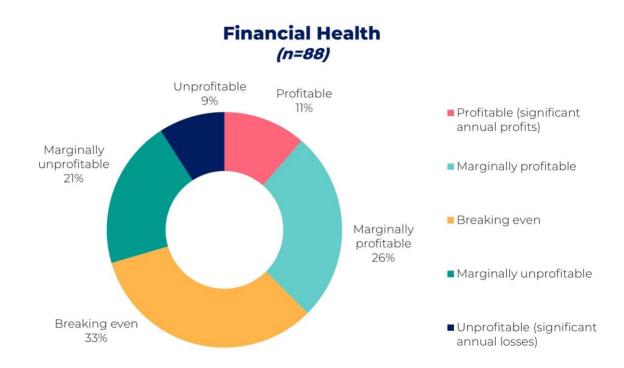
### **Market Activity Myths and Facts**

Although social enterprise missions and profit reinvestment set them apart from traditional for-profit businesses that prioritize profits and shareholder returns, social enterprises compete with other businesses in a competitive marketplace where consumers, institutions, governments, and corporations make daily supplier choices.

Our research shows that several common myths about social enterprises aren't true.

#### Myth: Social enterprises aren't profitable.

**Fact:** The data shows that just over 70% of all social enterprises surveyed report their financial health to be breaking even, or better.

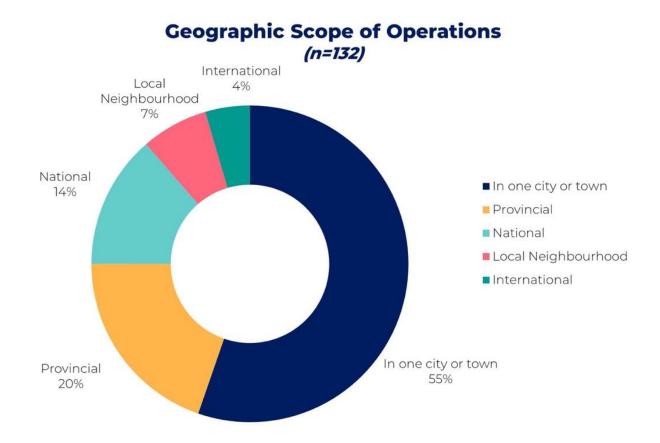


In 2022 the total gross revenues for the social enterprises surveyed was \$237.2 million. This total does not include <u>GreenShield Canada</u>, a national health service social enterprise, who had an annual revenue of \$3.9 billion in 2022.<sup>2</sup>

The total gross sales reported in 2022 (not including GreenShield) are \$185 million.

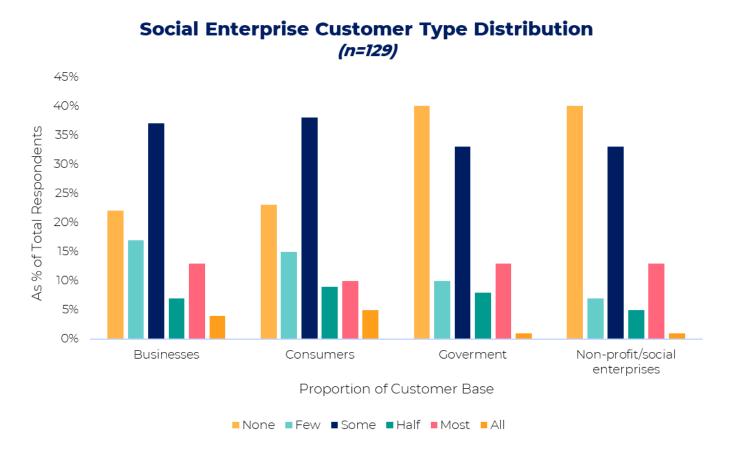
<sup>&</sup>lt;sup>2</sup> https://www.greenshield.ca/blog/post/championing-better-health-for-all-greenshield-s-2022-social-impact-report

Social enterprises produce their revenues across a diverse range of markets. The chart below demonstrates the geographic scope of operations of social enterprises surveyed. While most are locally focused, 14% operate at a national level and an additional 4% sell their goods or services internationally.



#### Myth: Social enterprises only work with governments or other nonprofits because they need people who are willing to pay more for social value.

**Fact:** The data shows that social enterprises have a wide range of customers including corporations, consumers, non-profits, and all levels of government.



Despite a popular misconception that only public sector and non-profit purchasers are willing to "compromise" on price and quality for social value, the survey results suggest that social enterprises meet quality and price requirements to sell to all kinds of customers, with many businesses not listing government as part of their customer base at all.



#### IKEA signs 3-year agreement for social enterprise reuse services

<u>Furniture Bank</u>, a leading social enterprise in furniture reuse and poverty relief, has fostered an impactful partnership with large multi-national corporation IKEA to advance social and environmental good since 2019. This commitment to working with procurement facilitator Furniture Link and IKEA has evolved from small pilot projects to becoming an official supplier to IKEA with a three-year agreement for reuse services.

Founded in 1998, Furniture Bank operates charitable programs alongside social enterprises, funding 80% of costs through earned revenues. Their Homing program redistributes used furniture to those experiencing furniture poverty.

"We've built Canada's largest furniture reuse network, diverting over 3 million pounds from landfills annually. Providing cost-effective, simple solutions for businesses like IKEA further demonstrates our role in circular economy impact and job creation." – Dan Kershaw, Executive Director

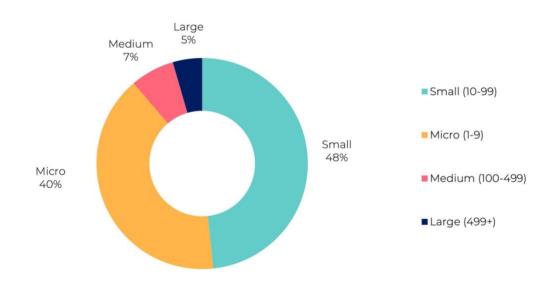
Success came by collaborating with IKEA and sustainability procurement expert Furniture Link, who worked from small proof of concept to national reuse coordination projects. The highlight of the innovation is Furniture Bank operationalizing a sustainable, innovative mattress reuse service that aligns with IKEA's sustainability goals and economic requirements while advancing Furniture Bank's mission to end furniture poverty across Canada.

This successful partnership enabled the redirection of 12,000 mattresses to clients in need during COVID-19, demonstrating the power of social procurement while saving an estimated 3,896 metric tonnes of Co2 emissions. Due to the significant economic and social impact, IKEA has signed a three-year agreement to extend the program to all GTA stores, increasing donations to Furniture Bank for their charitable work. Furniture Bank is set to complete IKEA's Global IWAY certification process by 2023, and as an officially certified supplier for IKEA, Furniture Bank aims to collaborate with Furniture Link to create more corporate procurement solutions that drive social and environmental progress throughout Canada.

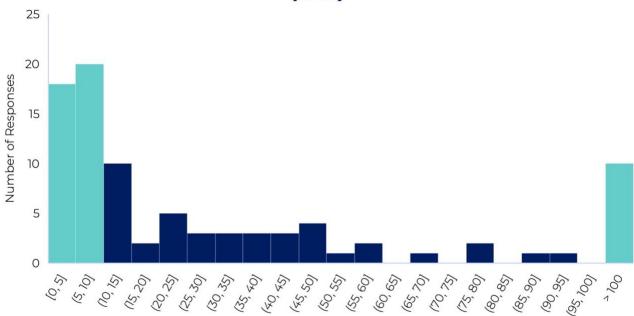
#### Myth: There are no large social enterprises.

**Fact:** While it's true that many social enterprises are small, not all are. Four respondents to the survey, <u>GreenShield Canada</u>, <u>EMBERS</u>, <u>Commissionaires</u>, and <u>Just Like Family Home Care</u>, have over 1,000 employees. Many others hire a network of subcontractors or other contract and needs-based workers.

## Business Size by Number of Employees (n=89)



# Distribution of Total Number of Employees (n=89)



Total Number of Employees

#### Myth: Social enterprise is a new fad, and no one lasts very long.

**Fact:** There are many social enterprises who have been in operation since before the term 'social enterprise' existed, and who have proven time and again that they can withstand economic downturn, changing business landscapes, and modernizing technology – while also responding to the needs of their communities.

<u>GreenShield Canada</u>, a national integrated health services company offering insurance coverage, administrative technology and more while working to ensure Canadians have affordable access to medical and dental care, was founded in 1957.

<u>FSEAP</u>, a national program of Family Service Canada delivered by a nationwide network of licensed family service agencies, was founded in 1974, and is the only national non-profit community-based EAP provider in Canada.

In Nova Scotia, there is a strong history of social enterprise activity. There is <u>DASC</u> (Dartmouth Adult Services Centre), which "supports the being, belonging, and becoming of adults with intellectual disabilities" through employment social enterprises. DASC has been in operation for over 50 years.

<u>MetroWorks</u> in Halifax first started its enterprising activities in 1977, and it's longest-running social enterprise, Stone Hearth Bakery, has been in continuous operation for over 40 years, since 1982.

Also in Nova Scotia, <u>Summer Street</u> operates five social enterprises which provide training and employment to over 200 adults with intellectual disability and support their full range of programs. Summer Street was established in 1990.

On the west coast, <u>EMBERS</u> (Eastside Movement for Business and Economic Renewal Society) has provided a comprehensive array of job placements and support services that address the full range of employment needs since 2001.

### Myth: Social enterprises don't have the capacity to handle large contracts.

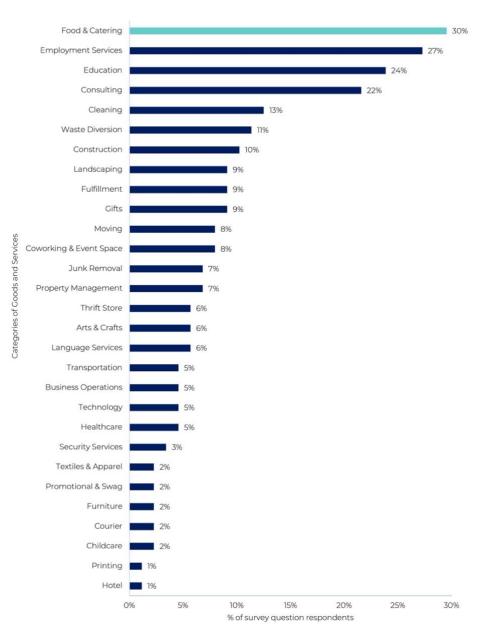
**Fact:** 29 survey respondents said they could take on contracts over \$1 million. With time to grow, they indicated they could take on contracts up to \$50 million in the next three years.

In total, 90% of respondents said they had capacity to take on larger contracts than they currently had. Of those, 78% said they could take on a contract at least two times bigger than their current largest contract.

## Myth: There aren't many social enterprises, and they don't do much.

**Fact:** Although we don't have the exact numbers, there are likely over 20,000 social enterprises in Canada based on Canada Revenue Agency data on non-profits reporting income sources. They sell many different things: consulting services, landscaping, clothing, healthcare, IT support, digital media services and more.





\*Note: Respondents could choose multiple

Some of the most common and successful categories of goods and services sold include social enterprises preparing and selling food products, offering various forms of building maintenance, and taking on construction projects.

#### Food

30% of respondents sell food and catering, making it the most common category of good or service offered by social enterprises who responded to the survey.



Food social enterprises sell everything from seeds and fresh produce to fine dining.

<u>FortWhyte Farms</u>, a small-scale organic farmer in Winnipeg, sells produce at farmer's markets and provides a seasonal CSA box subscription.

<u>Soul Bite Foods</u>, is a Vancouver-based enterprise that uses viable food that goes unsold, including surplus perishables, day-old goods or items near the best before date, to make nutritious vegan food. Their products are sold in grocery stores across the Lower Mainland.

Food social enterprises also range from small-scale operations like <u>Do Good Donuts</u> in Toronto or <u>50 Million Meals</u> in Vancouver, to larger businesses such as <u>Diversity Food Services</u> in Winnipeg, <u>Aangen</u> in Toronto, <u>Potluck Catering</u> in Vancouver, and <u>EthniCity Café and Catering</u> in Calgary.

There are even social enterprises selling nationally and internationally. For example, <u>Camino</u> buys fair trade products to make their chocolates, coffees and teas and you have likely seen their chocolate in your local grocery store. Buying their delicious chocolate is an easy way to support a social enterprise.

Many social enterprises selling food products also focus on training and employment outcomes. <u>D.I.C.E.D.</u> in Vancouver offers in-person and virtual culinary training for employees facing barriers to build skills.

<u>Krackers Katering</u> in Ottawa generates employment opportunities for people who face barriers to employment by providing them with a supportive work environment and skills training.

#### Building maintenance

To see the trends in goods and services sold, we combined cleaning, landscaping, junk removal, security services and property management as building maintenance.

Building maintenance is the second highest category of goods and services with 39% of social enterprises providing these types of services. If construction is also included under building maintenance, then that category represents just under half, 49%, of all

social enterprises surveyed.

RAINscapeTO has had a busy few years providing landscaping services in Toronto. Rainbow's End in Hamilton has multiple social enterprises that provide building maintenance services such as Mow-Town, a landscaping company and The Clean-Up Crew, a janitorial and grounds clean-up team.

Mission Possible (MP) Maintenance offers power washing, graffiti removal, window cleaning, painting and litter clean-up. MP Maintenance also has a contract with the City of Vancouver to keep the streets free of litter.

Other social enterprises offering building maintenance services include <u>OTB</u>

<u>Maintenance</u> and <u>Sunrise Janitorial Services</u> in the Greater Toronto Area, <u>Ray Works</u> in Winnipeg and <u>CleanStart Property Services</u> in Vancouver.



Although it only accounts for 10% of social enterprises surveyed, there is a lot of impact and success in the construction social enterprise space. Demand for social enterprises in the construction sector is growing because of an increase in social procurement and Community Benefit Agreement (CBA) policies and targets across the country.



Entering the trades and developing the skills to gain successful employment in a sector that has a high-demand for workers can be life-changing, especially for those from equity-deserving groups.

Many construction social enterprises provide skills training for entry-level workers, the majority of which are from equity-deserving groups that have never worked in the construction sector.

<u>Threshold Construction Program</u> in Hamilton provides skills training for employees to gain experience working on construction sites. <u>Building Up</u> in Toronto has a similar mandate to train people facing barriers and provide them with the skillset and experience to find meaningful employment.

Other impactful construction social enterprises in Canada include <u>BUILD</u> (Winnipeg), <u>Community Builders</u> (Ontario, several locations), <u>Construct</u> (Toronto), and <u>Impact Construction</u> (St. John's).





### Social Impact with an Entrepreneurial Spirit at MetroWorks

<u>MetroWorks</u> is a very well-established social enterprise which has been in operation since 1977.

"MetroWorks is a pioneer in Nova Scotia's economic and social development and as a non-profit, we continue to put our resources back into our community. Our programs help those facing employment barriers develop skills for life and find sustainable work. Our social enterprises help us achieve those goals, while contributing to our overall cost of operations."<sup>3</sup>

Their longest-running social enterprise, Stone Hearth Bakery, opened in 1982.

"We were doing social enterprise before social enterprise was a thing," says Dave Rideout, President and CEO.

When they first started enterprise activities, they were primarily contracted by the Municipality of Halifax. In the late 1990s however, those contracts "evaporated," says Rideout. They made the switch to their current business model and now sell primarily to consumers and other businesses. For example, goods made at Stone Hearth Bakery can be found on the shelves of local grocery chains including Sobey's.

"Pity purchases are the first things to stop, so you have to be competitive on quality, price, convenience, and customer service," Rideout explains.

<sup>&</sup>lt;sup>3</sup> https://www.mymetroworks.ca/about

"What you need is to make good financial sense. Social enterprises are businesses, and they have to be self-sustaining."

#### **Responding to changing demands**

MetroWorks is a dynamic set of social enterprises. They respond to market needs, contract and partnership opportunities and their businesses spawn from that.

The theme in the enterprises run by MetroWorks is "high labour, low margin," explains Rideout. Most of their businesses are in the food sector, and include a bakery, a café and an urban farm.

Although Rideout acknowledges that the social enterprise sector can sometimes be "less entrepreneurial" due to the non-profit background most people come from, the secret to MetroWorks' success has been having an entrepreneurial spirit and saying yes to whatever opportunities come their way.



'If it's good for the participants [employees] we're working for, then we need to do it. That's why we're in business." – Dave Rideout

"That entrepreneurial spirit needs to be embedded at every level," Rideout adds. "From the board to the executive director to the management team."

#### **New growth**

Their newest social enterprise, <u>The Ampersand Café</u>, is the result of a contract with Halifax Public Library.

"That was a really good example of the whole social enterprise/social procurement thing," says Rideout. "When the previous tenant moved out, Halifax Public Library knew they very much wanted a social enterprise. When they put the tender out, it was restricted to social enterprises."

He explains that "those sorts of partnerships help to demonstrate that a social enterprise can be just as competitive, just as reflective of the community, as a forprofit business."

Being able to demonstrate the value of social enterprise "on a larger platform" like the public library is helpful to change that narrative, Rideout shares.

#### Impact in the community

When asked about the impacts of these contracts and business opportunities MetroWorks has taken advantage of, Dave Rideout shares that there are too many stories to name.

"There's hundreds of stories, and they all tend to run along the same kind of line. You bring people into the program who are terribly economically and socially disadvantaged. They come into our program and for the first time in their lives they have people around them that care, and they are given a chance to demonstrate their skills."

"For the first time in their lives, they feel that they're valued." – Dave Rideout

Rideout and his team see the extra work and hours they put in as worthwhile: "We really do make a difference in people's lives. On the average month we're moving seven to nine people to employment, including racialized newcomers and youth."

MetroWorks provides the supports to build people up to be able to go to traditional job fairs and take advantage of the opportunities there. That kind of training "can't happen in a classroom," Rideout argues.

Enterprises like MetroWorks are necessary for that process, he adds. Social enterprises are supportive, non-threatening and run a business where employees can gain experience and skills and take pride in what they create.



#### Filling an Employment Gap at The Raw Carrot

<u>The Raw Carrot</u> is a social enterprise operating in several towns in Ontario which primarily sells soups. For their social impact, they provide meaningful employment and livelihood security to individuals on social assistance who want to work.

They started with one kitchen-space which was donated by a church and decided to make soup. They hired people with disabilities and other barriers to employment to make the soup and paid the workers whatever they made in sales.

In their first year, they sold \$25,000 worth of soup, and knew they were on to something.

"We were amazed by the outcomes," says Executive Director Rebecca Sherbino.

#### A unique approach

The Raw Carrot's model centres on a supported work environment, where volunteers support paid staff in their roles for short-term or permanent part-time work. Just a few years after they got the first location running, someone in another community was interested in replicating their success. The Raw Carrot agreed to start a pilot franchise location and share their business model and lessons learned.

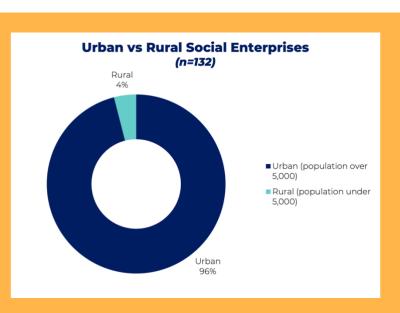
As of Summer 2023, The Raw Carrot has four franchise locations with another about to launch.

The Raw Carrot has a headquarters in Paris, Ontario which generates revenue through the <u>franchise model</u>. The headquarters supports each of the franchise locations with bulk buying, shared learnings, best practices, consulting, and other custom supports.

Because they operate in rural areas, The Raw Carrot franchises can't rely on corporate contracts like they could if they were in urban areas. Instead, they target direct-to-consumer sales and work to integrate into their local communities.

Echoing Dave Rideout's message, Sherbino is clear that to be successful, social enterprises "cannot operate like a program," and must be run as businesses.

Social enterprises come in all shapes and sizes and serve a variety of communities across Canada, from metropolis to rural towns. Though most survey respondents are in urban areas (96%), rural social enterprises can play a key role in communities, as The Raw Carrot demonstrates.



#### Supportive employment builds self-esteem and stability

In general, Sherbino says that while people are happy to work and appreciate the income they get from their jobs, what matters to them most is the sense of purpose and the community they are part of at work.

One story highlighted in their 2022 Gratitude Report is that of Darrel.

After spending nearly two decades out of the workforce due to injuries and ongoing health concerns, Darrel found The Raw Carrot.

In the last 10 years working with a case worker, Darrel doesn't recall a single suggestion that he could look for a job. "It was more like here's a cheque that's never enough for every month and you can barely get by on," he says.

After beginning to work with The Raw Carrot, Darrel feels hopeful and confident about the future.

"I like the people, I like the job and doing something productive. It gives me a sense of normalcy to be working again."

Darrel's story echoes many other employees at The Raw Carrot.

"What we really want to see with supportive employment is moving away from 'here's your monthly cheque now go away.' There's such a large community of people who want to work." – Rebecca Sherbino

"The community is what makes our impact so powerful," adds Diane Talbot-Schoenhoff, Director of Communications and Outreach.

The Raw Carrot brings value to the rural communities they are in by providing non-precarious part time work for people living on Ontario Disability Support Program (ODSP) funding.



"Living on ODSP is almost a part time job for people because of all the forms and other hoops they have to jump through," explains Sherbino, "and trying to keep up with that on top of a full-time job is almost impossible."

Unlike other employment and skills training programs, however, The Raw Carrot isn't designed to be a short-term training program that pushes people into full-time employment. Tailoring their employment opportunities to people who can't take on full-time roles, The Raw Carrot is meeting a real need in communities.

The main drawback of running their enterprise this way, however, is that it impacts funding, "because our outcomes aren't as impressive on the surface," explains Sherbino. They don't have high employment numbers accumulating each year, because their staff tend to stay with them longer. Although this is a boon for the employee and their community, it doesn't look as good on paper.

Despite this challenge, Rebecca Sherbino, Diane Talbot-Schoenhoff, and the whole The Raw Carrot team remain committed to creating supported employment and continuing to access new markets to ensure that non-precarious and meaningful work is an option for their employees.

### **Employment**

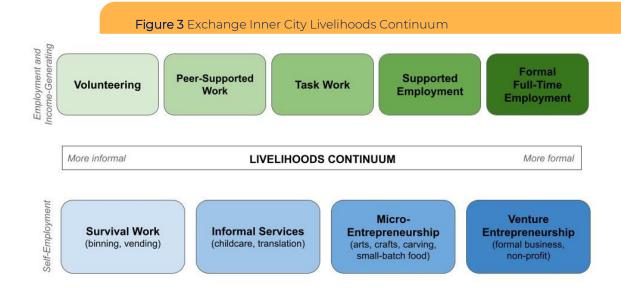
Although inclusive employment and training aren't a goal for every social enterprise, the research data shows that 65% of respondents see this as one of their primary purposes as an enterprise.

#### Increased access to work

It is widely accepted that a person's well-being, good health and social inclusion is directly linked to their employment. A key indicator of one's quality of life and sense of personal fulfillment is one's ability to be gainfully employed and to find meaningful work. Yet, many people still face barriers to employment, including people with lived experience of disability, people experiencing homelessness, people exiting the criminal justice system, Indigenous people, and other equity-deserving groups.

Acknowledging this, many social enterprises provide employment supports to meet people where they are. Individuals facing barriers to employment range in what type of support they need and what type of work they want to take on. According to community intermediary <u>Exchange Inner City</u>:

"The Livelihoods Continuum sees the economy as a non-linear spectrum of various income and employment opportunities. The Continuum reframes the concept of traditional employment, mostly seen as a full-time, 9-5 job, and replaces our understanding with the idea that employment and income generation can happen in a multitude of ways, whether task-based, supported, irregular hours, survival work, and more ... the Livelihood Continuum recognizes and legitimizes various means of low-barrier income generation opportunities, and allows for a wide spectrum of meaningful employment."

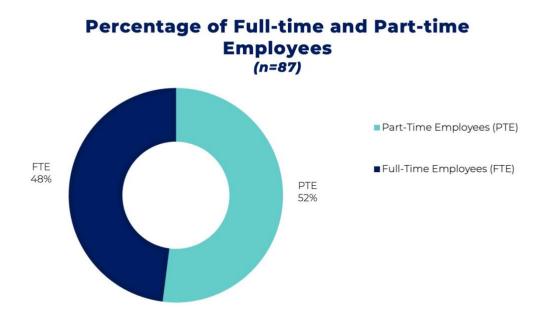


<sup>4</sup> https://exchangeced.com/resources/

In total, the survey respondents employ 9,029 people. This number is likely higher as some social enterprises did not include their contract workers or day labourers in their employment numbers.

Some of the employers of contract workers and other part time roles are social enterprises who provide translation and interpretation services. These include <u>DIVERSECITY Interpretation and Translation Services</u> in Surrey, <u>MOSAIC Interpretation and Translation Services</u> in Vancouver, <u>MCIS Language Solutions</u> and <u>RivInt Interpretation and Translation Services</u> in the GTA, and <u>Wesley Interpretation Services</u> in Hamilton.

By creating contract and part-time work, these translation social enterprises are creating job opportunities that fill gaps in the livelihoods continuum shown above. They also provide skills training opportunities for newcomers and Indigenous language speakers and support them to overcome barriers to employment.



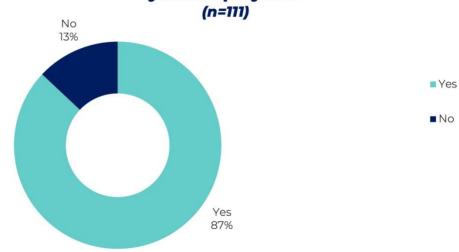
The split of part- and full-time employees in survey responses demonstrates that social enterprises create a range of different work opportunities, from long-term staff positions to seasonal or day-labour roles, which allow people facing barriers to employment to find the right kind of work for their needs.

Although the common ideal in Western society is to work towards full-time roles, this isn't possible for some people facing barriers. The almost 50/50 split between full-time and part-time work shown in the survey data is a benefit that the sector brings, because it can make work accessible to more people.

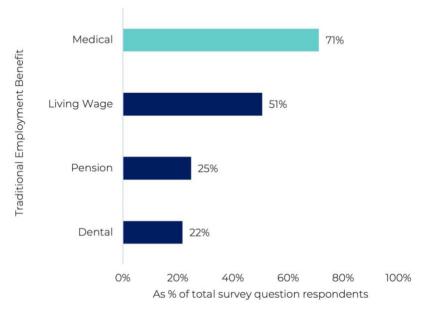
#### **Wraparound supports**

Social enterprises recognize the importance of removing barriers and creating accommodating and supportive work environments across the spectrum of needs. 63% of the social enterprises surveyed say employment and skills training is a top priority, and 85% provide wraparound supports for employees facing barriers to traditional employment.

Do you provide additional employment benefits for your employees?



Types of Traditional Employment Benefits Offered by Social Enterprises
(n=97)

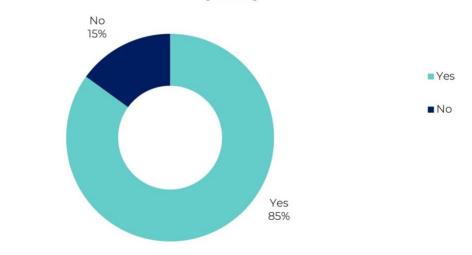


\*Note: Respondents could choose multiple options

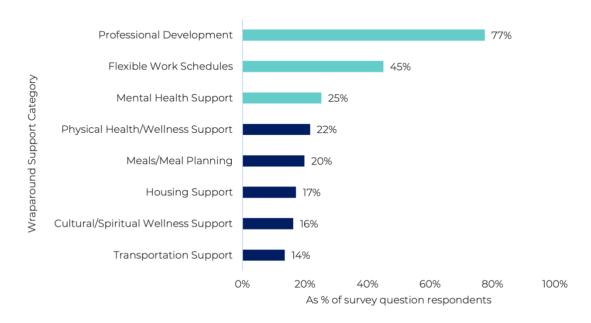
A key factor that separates social enterprises from traditional businesses is that they provide additional wraparound supports.

Do you intentionally provide additional supports for your employees to increase accessibility and inclusion for members of equity deserving groups and people facing barriers to employment?

(n=130)



# Types of Wraparound Supports Offered by Social Enterprises\* (n=111)



\*Note: Respondents could choose multiple options

Wraparound supports come in all shapes and sizes and go beyond the traditional benefits such as extended medical coverage or providing a living wage. Wraparound supports can often enable a person facing barriers to achieve social inclusion and can include housing support, meals, or transportation.

Further examples shared by surveyed social enterprises include access to on-site counselling, including Indigenous mental and cultural health support without missing work.

"Access to mental health support is a privilege of time. Staff can see councillors and practice cultural art therapy while at work, while being paid at work. Putting Culture and people first is how we become a strong organization demonstrably rooted in our values," says Heather Paul, Executive Director of <u>Squamish Lil'wat Cultural Centre</u>.

<u>Saint John Learning Exchange</u> in New Brunswick is an organization that offers employment support programming for women facing barriers. Director Mandy Burke shared a story about going above and beyond for one of their employees who grew up in a family that experienced generational poverty:

"I had an employee approach me and say, 'I need your help with something, I want to get my driver's license," Burke shares.

It just so happened that Burke's 16-year-old son was also working towards getting his license. She supported her employee in learning how to drive; booking the driving test and going with them to the test centre during work hours to support them to get their driver's license.

Through working with the social enterprise and accessing these additional supports, this employee was able to gain opportunity and freedom of movement and begin to break the cycle of generational poverty.

Other wraparound supports social enterprises provide include:

- <u>Causeway Work Centre</u>: We provide access to our community supports program (community referrals), wellness gym and resource centre.
- <u>Sunrise Janitorial Services</u>: We offer one to one training for two weeks at the beginning of their employment.
- <u>Choices for Youth</u>: We have an intensive model of wrap-around personal supports which include housing, education, mental and physical health, income support system navigation, legal, etc.
- <u>Canadian Hard of Hearing Society NL</u>: We provide hearing assistive technology such as hearing aids and cochlear implants.

- <u>Aangen</u>: We offer presto (transportation) support, dental, medical, housing, counseling, food security, hygiene products, legal, employment navigation and much more.
- <u>EMBERS</u>: We provide access to counselling, certified skills training, coaching, tools and equipment lending library, access to transportation to the job, match savings program, and a health spending account.
- <u>Just Like Family Home Care</u>: We support newcomer women who are registered nurses in their previous country to upgrade and write their exams by providing them employment and resources in the interim.
- <u>Mission Possible</u>: We provide food security, housing support, education and training, skills development, resume and job search support, access to counselling, and spiritual care.
- <u>Squamish Lil'wat Cultural Centre</u>: We offer Cultural Wellness (smudging, Elder sharing circles, art therapy), on-site counseling, food security program, access to our housing program, and an extensive paid training and development program.
- <u>Building Up</u>: We have an in-house councillor, financial coach, Diversity, Equity and Inclusion committee and HR team.
- <u>Potluck Catering</u>: We have an in-house Employment Support Worker who helps employees navigate through challenges they encounter.
- <u>CleanStart Property Services</u>: We offer short term interest free loans, flexible scheduling, social assistance employment, and modified work.
- Newo Energy: We provide financial support when necessary. For example: flexible payroll (weekly vs biweekly), rent assistance, and even part time work receiving full time pay (dependent on needs, case by case). Depending on individual needs, we have assisted people access further trades training, or in other cases, facilitated high school upgrading or attaining a GED.
- <u>Circle of Eagles Trading Post</u>: We offer employment skills, entrepreneur skills, support from elders, cultural supports, training, and mentor/peer support.
- <u>Untapped Accessibility</u>: We offer a shorter work week, 100% remote, flexible hours, accessibility supports including assistive tech, accessibility by default in meetings, and an inclusive hiring process.



### Partners for Employment Enterprises creates a flexible work environment to promote employee success

<u>Partners for Employment Enterprises / Entreprises Partenaires pour l'emploi</u> is a rural, bilingual social enterprise serving the community in the Mattice-Val Côté, Hearst, Constance Lake and Hornepayne region in Ontario.

Their organizational mission is to offer personalized training tailored to the needs of job seekers in their community; develop an adequate workforce for local employers; and offer employment stability to people in their community.

Through their organization and social enterprise work they provide skills training and employment opportunities for people facing barriers to employment such as generational poverty, disadvantaged youth, newcomers to Canada, and retirees who want to re-enter the workforce due to the rising costs of living.

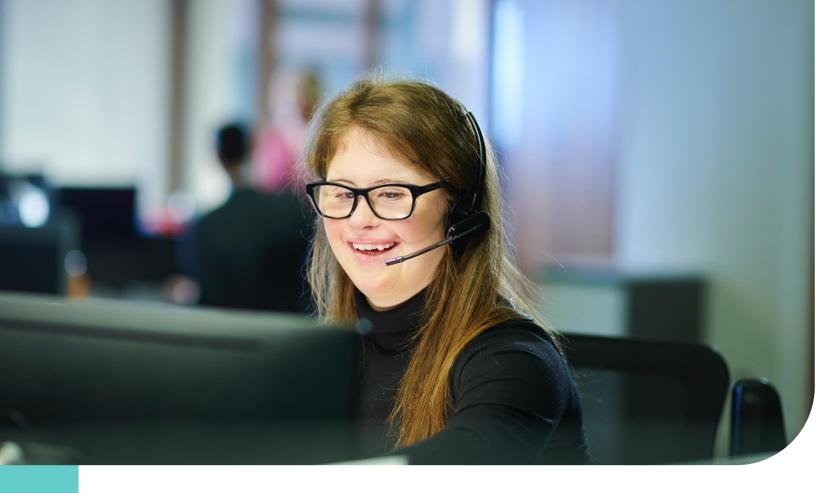
They have two social enterprises that they put their clients through to gain the skills and experience that will lead them on to further employment opportunities:

- 1. Green Spin Vert, a community thrift store
- 2. Entreprises Partenaires pour l'emploi, which provides property services including: yard maintenance & lawn mowing, snow removal, moving, manual labour tasks and recycling pick-up services.

Through their programming and social enterprise work, clients that graduate their program have a 95% success rate in gaining employment elsewhere. During the day they give their employees flexible work schedules to meet with councillors or go to appointments so they can get the support they need.

"If it doesn't work out the first time, employees can return every year for up to three years, before finally it works... while others need a lot of support and chances," says Stephanie Lacombe, Executive Director of Partners for Employment Enterprises.

The organization has a good relationship with employers in their community, Lacombe explains: "If we say someone is ready, [employers] believe us. In a small community, people talk. We build our references through our social enterprises and help change the lives of many."



### **Walking the Talk at Untapped Accessibility**

<u>Untapped Accessibility</u> is a BC-based social enterprise that boasts a team of accessibility experts, with a majority also possessing lived experience of accessibility barriers. They support organizations to "deliver accessibility that reaches beyond compliance to create truly inclusive organizations for all."<sup>5</sup>

As a Community Contribution Company, profits from Untapped Accessibility go to parent organization and Certified Social Enterprise Open Door Group, to help attain their mission to open doors to lifelong learning and career success for more people with disabilities. In addition, Untapped Accessibility aims to expand on Open Door Group's employment services by creating work opportunities for professionals with disabilities. While much of Open Door Group's programming supports disabled people who are experiencing barriers to entering the workforce, Untapped Accessibility focuses on disabled professionals with extensive resumes who are uniquely positioned to advise on high-level consulting contracts.

Since opening in Fall 2022, Untapped Accessibility has seen a huge demand for their services which include hands-on consulting, external project management, strategy development, and training.

<sup>&</sup>lt;sup>5</sup> <u>https://untappedaccessibility.ca/</u>

After the Province of BC introduced the Accessible BC Act, with a key deadline for Fall 2023, Untapped Accessibility has been "delighted by the flood of incoming calls" says Trish Kelly, Managing Director.

Due to the BC legislation, they started working primarily with BC clients, but as more people hear about their work, they are expanding across Canada. Their offerings, while especially timely in BC, are resonating with accessibility efforts nation-wide.

### Inclusive employment at the core

Although Untapped Accessibility currently has few competitors in the space, they differentiate themselves from other large consulting firms offering accessibility support in two ways. They are "mission driven" and they bring a diverse team with lived experiences of disability to every contract and project. On every project team they put together for proposals, they aim to have more than 50% of the people working on the project "not only bring accessibility expertise but also lived experience," Kelly adds.

## "We're embracing the principle of nothing about us without us." – Trish Kelly

Their enterprise is also designed to create a variety of types and volumes of work for people to take on depending on what employees are looking for.

"As we were designing Untapped, one of the key learnings I brought from other projects, is to make sure we have flexible options for people in terms of the types of work people do and the volumes of work. The ideal for us is to be able to offer some staff positions for folks who want more traditional full-time employment, as well as offering project-based contract work for folks who want the control or flexibility that provides," explains Kelly.

Senior Accessibility Consultant Chris Lytle adds that the mission of Untapped Accessibility to hire people with lived experience as a central part of their work, means that employees with disabilities aren't taking on additional unpaid labour.

Lytle explains that when disabled people are hired by other companies, often "the job becomes another full-time interview" because the company is ill-equipped and under-prepared to have staff with lived experience on their team.

"Can you imagine being invited to a dinner party and being asked to build your own chair?" he asks.

Working for Untapped Accessibility poses a much-needed contrast to this example because an inclusive professional environment is a given.

### A working example

Trish Kelly is hopeful that Untapped Accessibility can be a working example of what an accessible and inclusive workplace environment can provide as they live the values they are sharing with others.

"People with lived experience of accessibility barriers are uniquely qualified to solve or give feedback. To be leaders in the work to remove those barriers."

"In this case, organizations are paying for our expertise to do that, rather than relying on the unofficial unpaid labour disabled employees might be asked to do in other workplaces," says Kelly. The value Untapped Accessibility puts on their employees' knowledge and perspectives is also represented in their own teams, Kelly says.

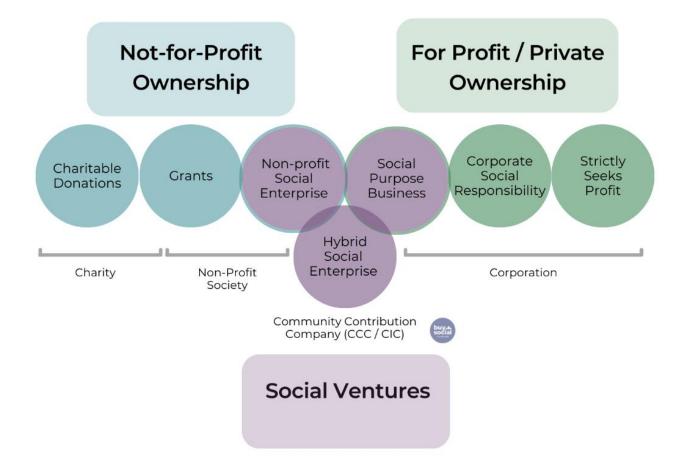
Looking ahead, Kelly says the team at Untapped Accessibility is interested in being on the leading edge and approaching aspects of accessibility that haven't yet been explored, while growing the number of employment opportunities they can create and expanding partnerships.

### Structure and Governance

Structurally all social enterprises share the characteristic that financially they are not focused on shareholder profits. However, there are still a range of options for how social enterprises are incorporated and governed.

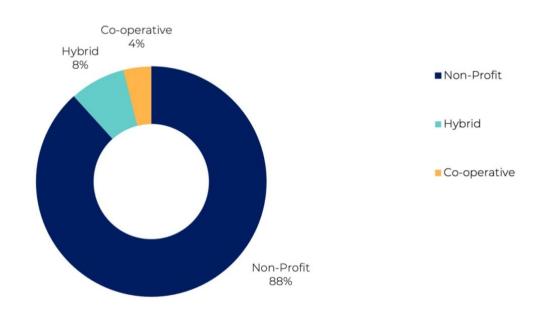
The business model continuum below shows the range of businesses from charitable organizations to businesses strictly seeking profit.

Figure 4 Business Model Continuum



Social enterprises are most often incorporated as non-profit organizations who generate income from the sale of goods or services. Other social enterprises have a hybrid incorporation model, or are co-operatives.

## Incorporation Structure (n=128)



Hybrid social enterprises are most often incorporated as Community Contribution Companies (CCC) in British Columbia or Community Investment Corporations (CIC) in Nova Scotia. Hybrid social enterprises may only be able to incorporate this way in two provinces, but they can register to operate anywhere in Canada.

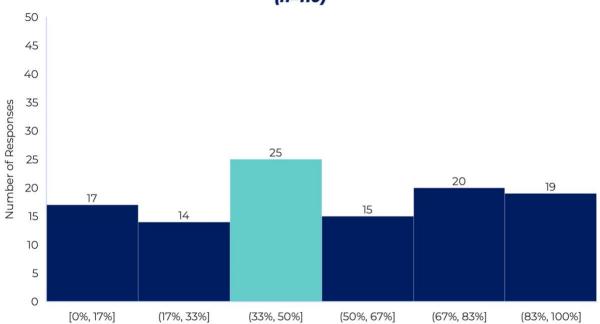
By legislation, they must have a social purpose and their profit distribution to shareholders cannot exceed 40%, with the balance going to community purposes. If sold, they must retain their social purpose and asset lock in perpetuity. Hybrids allow private investment, but ensure social purpose is the operational priority. Examples of CCC and CIC enterprises include <u>Common Good Solutions</u> in Halifax, <u>Urban Matters</u> and <u>Purrpl</u> in Kelowna, and Buy Social Canada.

Another small niche of social enterprises are for-profit social purpose businesses. These businesses are only social enterprises when they have updated their articles of incorporation to have the same profit redistribution and asset lock as hybrid social enterprises. They effectively become hybrid social enterprises by changing their articles of incorporation.

Examples include <u>Infiniguard</u> in Toronto and <u>Soul Bite Food</u> in Vancouver.

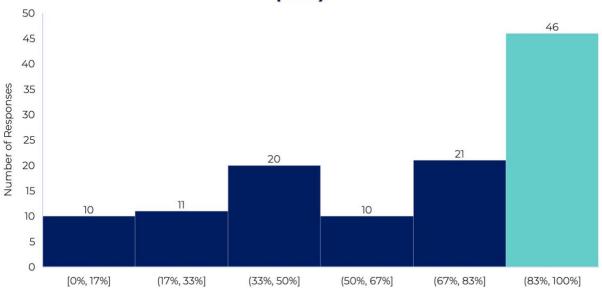
In terms of governance, most social enterprises have a management team and a board of directors. The following charts show the representation of equity-deserving groups in each of those areas.

# Distribution of Equity-Deserving Groups in Board Members (n=110)



Percentage of Board Members Identifying as Equity-Deserving Groups

# Distribution of Equity-Deserving Groups in Management Teams (n=118)



Percentage of Management Teams Identifying as Equity-Deserving Groups



## **Construction for Community Wellbeing at Purpose Construction**

<u>Purpose Construction</u> is a construction social enterprise in Winnipeg, MB. They take on construction contracts and clients while providing trades training to employees.

They serve a broad population, with target audiences for employment including Indigenous people, people transitioning out of the criminal justice and child welfare systems, newcomers to Canada, and members of the 2SLGBTQIA+ community.

### Representation at every level

Purpose Construction has had a commitment for 50% or greater Indigenous representation on their board of directors for several years, which Executive Director Kalen Taylor says they have been meeting and surpassing for quite some time.

The next step for their board of directors is to "work towards broader representation" of their other target audiences, Taylor says.

Within their paid staff, 97% of all staff are from their target demographics in all levels of the organization from brand new staff to upper management.

### Taking on affordable housing for community and growth

Several ongoing contracts are Purpose Construction's current income base.

"Our base of operations is a major social procurement agreement with Manitoba Housing," Taylor explains. This \$2 million annual contract comprises of apartment turnovers and upgrades, and "is really important to us," says Taylor.

Now, they're expanding their efforts to affordable housing creation in Winnipeg.

Taylor says they did this for two main reasons: because it made good business sense, and because the cycles of government funding "leave us vulnerable, and we're really trying not to lay folks off because then they lose housing or custody of their children."

They are also working to create more affordable housing because the need is extreme. "The number one reason I lose folks is because they don't have access to safe affordable housing," Taylor adds.

In partnership with the Province of Manitoba and the City of Winnipeg, Purpose Construction is building high quality new homes on vacant inner-city land – homes that are physically accessible, highly energy efficient, and built to last.

The City of Winnipeg sold Purpose Construction the first three vacant lots for \$1 each, and a newcomer family took possession of the first home in early 2023.

The partnership model has been "very successful," says Taylor. In addition to collaboration from public sector organizations, they've seen valuable collaboration with private sector construction companies who are providing training support in part because they know that contributing to the trades training will help them address the very serious labour shortage the construction industry faces.

In addition to creating pathways into private sector companies for their employees, an added benefit of taking on new build construction projects is that it provides an excellent 6-month skills training program where employees are exposed to a wide range of trades including forming, framing, roofing and siding.



Taking the impact further, Purpose Construction partnered with Stoney Mountain Institution, a prison who did prefabrication work for the project in their internal trades program. Stoney Mountain Institution sent inmates to work at the site on a day-release program with guaranteed employment at Purpose Construction when they leave the Institution.

### **Construction for community wellbeing**

As of Summer 2023, Purpose Construction has 40 employees, and "every single one of them has a story," says Taylor.

On their website, they highlight some of the standout <u>employee stories</u>. One of them is Joey's:

Joey came to Purpose Construction after spending time in the justice system and at a time in his life where he felt like no one was willing to give him a chance. At other jobs he had held, he faced discrimination both as an Indigenous person and as someone with a criminal record. "Basically," says Joey, "this company is good at breaking down stereotypes." Today, Joey is a lead hand, managing jobsites and communicating with customers while providing training and mentorship to our teams. "Whatever's going on at home I can deal with it because things at work are stable." Over the last 7 years Joey has risen to becoming a lead hand painter, trainer and mentor to our teams.

Outside of individual stories like Joey's, one of the main themes in terms of community impact that Kalen Taylor sees is family reunification. "We see a lot of folks who are really desperately trying to reunite with their kids in foster care. Stable employment and housing are a big part of that, and we've been able to support people to get their kids back."

Looking ahead, Taylor's focus for the enterprise is to continue training and delivering social impact while also delivering the same product as private sector companies on the same timelines for the same price.

Speaking to the private sector, Taylor urges those companies not to see Purpose Construction as competition.

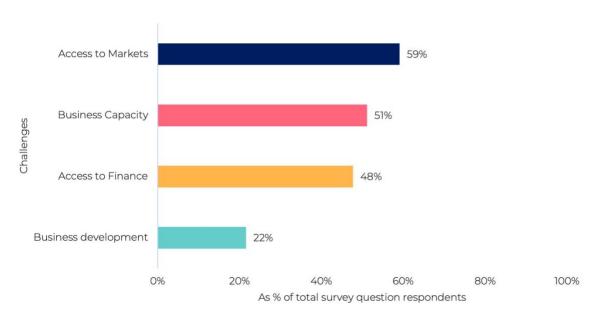
"We're the solution to a massive problem in the sector, which is labour." – Kalen Taylor

They add, "we're in the business of creating future employees for them, taking populations that the private sector feels are too risky, and giving them upfront support to prepare them for future employment in the sector."

### Challenges and solutions

### **Challenges**





\*Note: Respondents could choose multiple

When asked which of the four challenges they face, shown in the chart above, social enterprises put access to markets at the top of the list. Business capacity and access to finance were not far behind.

Many social enterprises have capacity to take on more work but lack either finances or access to customers.

<u>D.I.C.E.D.</u> shared, "if we could access finances at reasonable rates and have extra marketing dollars it would open so much more exposure to what we are doing and develop other opportunities for communities and the work force."

<u>MetroWorks</u> added, "If you call yourself a social enterprise you have to trade your funding for a contract. We need to be better at business-to-business relationships and not be so reliant on funding. However, it's a challenge because you don't want to lose the \$100,000 in funding from a grant."

<u>RainscapeTO</u> pointed out that without access to finance, it's hard to take on bigger contracts. "Bigger contracts require bigger infrastructure, which you cannot develop until you have the financial resources that come with bigger contracts."

<u>Impact Construction</u> highlighted that without good access to markets, their business opportunities were limited.

The absence of similar businesses makes it impossible to benchmark or work on "best practices" with collaborating entities, says <u>Diversity Food Services</u>.

### **Solutions and supports**

### Social procurement

A key theme in survey responses about what helps social enterprises to thrive and grow was social procurement.

<u>Choices for Youth</u> emphasized that "social procurement policy with real targets and incentives" would help immensely, along with ongoing education for all sectors on the value of working with social enterprises.

<u>Compost Winnipeg</u> added that more education is needed on the value "that can't be measured in dollars" which social procurement delivers for communities.

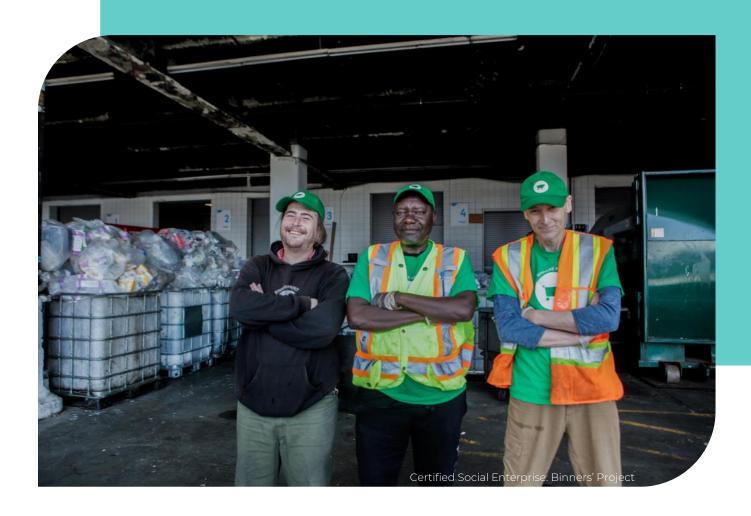
Community Builders summed it up well: "Social procurement policies!"

#### Awareness of social enterprises

Other social enterprises emphasized the importance of raising awareness about social enterprises and the value they provide. Part of this includes changing the narrative and perception of social enterprises so they are seen as viable businesses rather than charitable organizations.

### Inclusion in the Business Development Bank of Canada

Along with other social enterprises, <u>Gateway Navigation CCC</u> emphasized that a meaningful way to improve access to finance would be an "amended lending policy" of the Business Development Bank of Canada and other Government funding to include hybrid social enterprises and non-profits.



### **Conclusion**

As the stories and data in this report demonstrate, social enterprise is a vital component of the marketplace revolution, as we work together to move away from profit for profit's sake and put people and the planet at the centre of our economy.

We invite you to consider how you can get involved or continue to contribute to the movement for social enterprise and social procurement (which creates more market access for social enterprise) and improve our economy to contribute additional social value while treating people and our environment with respect.

### Take action: social enterprises

If you see yourself reflected in this report and feel that you meet the definition of a social enterprise, please contact us to learn more about <u>Buy Social Canada Social Enterprise Certification</u>. Purchasers are increasingly putting a social value into their purchasing criteria, and they are asking for verification. Verify your social impact with Social Enterprise Certification to show stakeholders, clients, and your team that you put your money where your mouth is and contribute to community wellbeing.

### Get started:

- Become a Certified Social Enterprise
- Tell your story
- Access free learning resources
- Connect with purchasers

### **Take action: purchasers**

For public and private sector purchasers, we invite you to continue your education on social enterprise and social procurement with a <u>Social Purchasing Partnership</u>, and get support to design and implement your social procurement program.

The <u>Certified Social Enterprise Directory</u> is also a great place to take action. Find social enterprises in your area, or who offer the good or service you need, and purchase from them.

#### Get started:

- Build relationships with suppliers
- Purchase from Certified Social Enterprises
- Get support for social procurement design and implementation
- Register for training
- Become a Social Purchasing Partner

### Take action: everyone

Continue to advocate for, and raise awareness about, social enterprise.

We invite everyone to read Buy Social Canada Founder David LePage's book <u>Marketplace Revolution</u>, and learn more about this movement.

To stay up to date on the social procurement and social enterprise ecosystem, and Buy Social Canada News, subscribe to our <u>monthly newsletter</u>.

### **Appendix A: More Stories of Impact**

With 88 responses representing 132 social enterprises, the number of stories that demonstrate the impact and importance of social enterprise in communities across Canada was more than we could reasonably include in this report. However, the stories shared by survey respondents are inspirational and clearly highlight why social enterprise is the business model that is best equipped to help tackle systemic issues.

For that reason, we're including these additional stories of impact from survey respondents as an appendix. Read on to be inspired and motivated!

**A-Way Express:** A-Way received a testimonial from our local hospital indicating that A-Way services/jobs keep their outpatients out of emergency services -- the priority performance metric in Ontario's community mental health sector!

**Causeway Work Centre:** In 2022-2023 we provided 39,060 hours to the people working in our social enterprises and over \$600k in wages to those workers.

### **Choices for Youth:**

- Through a supportive partnership with Mokami Status of Women Council (Goose Bay, Labrador) we helped increase SE revenue by 90% and implemented a youth training and employment model.
- 2. Impact Construction employed 37 youth in 2022-23 and reduced the number of youth on income support by 46%.

**CleanStart Property Services:** We have helped 55% of our employees secure improved housing situations.

**Community Builders:** We have graduated over 100 people into meaningful employment and renovated over 300 units of affordable housing.

**D.I.C.E.D.:** We have put almost 730 students through our brick-and-mortar culinary school, and prepared almost 3.4 million meals to the at-risk, marginal and seniors atrisk population.

### **Diversity Food Services:**

- 1. We are Canada's most sustainable post-secondary institutional food service (every year since 2015).
- 2. 57% of all ingredients and beverages brought in are sourced from local small/medium sized private companies.

**DIVERSECity Skills Training:** <a href="https://youtu.be/FisgulHJy9E">https://youtu.be/FisgulHJy9E</a>

**EMBERS:** We've helped thousands of people to come off the streets, become employed and move on to higher career levels. For example, Mike (not his real name), a recovering addict. We placed him as a general labourer on a job. He worked hard, so we provided him training to become a hoist operator and later a Construction Safety Officer. Five years later he is an Assistant Site Superintendent and earning a 6-figure income.

**EWMA:** The women in the Downtown Eastside had their work on the Vancouver Fashion Show runway and had a standing ovation last year. This creates an opportunity for the women to have their works compete with other artists, and also opens a room for networking.

Free Geek Toronto: Since 2018 we've refurbished over 1,200 computers.

**GreenShield Canada:** Our Women's Mental Health program supported over 22,000 Canadian women in 2022.

**Jonnon:** We had the opportunity to equip a newcomer family to Canada with a new sewing machine that allowed them to deliver large scale orders for Jonnon, and simultaneously empowered them to take on additional work from other sources.

**Mission Possible:** We had 118 people start jobs with us last year. 39 of those moved into work outside of our organization.

**Persons Community Solutions:** We have saved numerous lives through Naloxone administration by some of our security personnel on the field who were trained in the life saving procedure. We have also helped some of our employees get off EIA and stabilize their housing situation by offering them supported employment with wraparound supports in place that allowed them to get out of situations that were contributing to the precariousness they were experiencing.

We have also facilitated a variety of warm hand-offs for individuals with housing or other government support needs, and have de-escalated hundreds of situations, limiting calls to police, and keeping vulnerable individuals out of the justice system.

**RainscapeTO:** A person, self-identified as Indigenous, joined our team 4 seasons ago, with no gardening experience and little contact with their community. Through our work they connected with the land, the plants and their culture, gaining confidence, expertise and knowledge. They decided to fundraise to start their own project to host ceremonies and plant medicines in a community garden and has been working on this for the last 2 years.

**Ray Works:** We've been able to provide moving support to many Ray (Resource Assistance for Youth) youth who usually face barriers to accessing support when moving. This results in the youth being able to retain their belongings, rather than having to abandon them.

### **RivInt Interpretation and Translation Services:**

- 1. New immigrants, with several years of medical practice in their home country, facing continuous challenges in landing jobs in their field, due to lack of Canadian experience in Canada, received interpreter training. These health experts are now trained interpreters for RivInt, providing language services for the healthcare service providers, including doctors and specialists in the hospital setting. This has created a comfortable environment for these immigrants to work in their own field rather than compelled into driving taxis.
- 2. RivInt has helped new immigrants realize that having sound knowledge of languages other than English is an important asset that they possess. With completion of a language test and training, RivInt created opportunity for these immigrants to earn income, thus reducing the struggle of settlement in Canada significantly. Many interpreters and translators are now working full-time as freelancers. Many have registered language service small businesses.

**Squamish Lil'wat Cultural Centre:** We are proud to say that over a million dollars in contracts and payroll each year goes to Indigenous people living on reserve.

**The Wrench:** We salvage and refurbish thousands of bikes each year that would otherwise be scrapped or buried in our landfill. The bikes are repaired and then dispersed at affordable/deeply affordable/free rates to thousands of Winnipegers each year. A bike is sustainable transportation, better physical and mental health, and community connection creator.

### **Appendix B: Survey Respondents**

Thank you to all 88 social enterprises and organizations who responded to this survey. The stories and data shown above would not be possible without your commitment and generosity of time and resources.

In total, these 88 responses represent 132 social enterprises as several organizations run multiple businesses.

#### **Alberta**

- Commissionaires
- HireGood
- Newo
- Redemptive Developments
- Solar Power Investment Cooperative of Edmonton
- The Dollar Detectives

### **British Columbia**

- 50 Millions Meals
- D.I.C.E.D. Culinary
- Atira (Enterprising Women Making Art & East Van Roasters)
- Binners Proiect
- Buy Social Canada
- <u>Circle of Eagles Trading Post</u>
- CleanStart Property Services
- <u>DIVERSEcity Interpretation & Translation Services</u>
- DIVERSEcity Skills Training Centre
- EMBERS Staffing
- Gateway Navigation CCC Ltd.
- Jonnon
- Mission Possible
- MOSAIC
- Open Door Group
- Potluck Café Society
- Purcell Preschool + Daycare
- Realize Strategies
- <u>SEWA Ventures Society</u>
- Soul Bite Food Inc.
- Squamish Lil'wat Cultural Centre
- Untapped Accessibility
- Victoria Compost Education Centre
- Washington Community Market
- WITS Program

#### **Manitoba**

- Compost Winnipeg
- Diversity Food Services
- Encompass Coop
- Fireweed Food Co-op
- FortWhyte Farms
- Persons Community Solutions
- Ray Works
- Siloam Laundry Service
- The WRENCH

### **Newfoundland & Labrador**

- Canadian Hard of Hearing Association Newfoundland & Labrador
- Choices For Youth
- First Light (Lunar Inn)
- SmartICE

### **Nova Scotia**

- Common Good Solutions
- Conway Workshop Association
- Dartmouth Adult Services Centre
- MetroWorks
- Summer Street

#### Ontario

- A-Way Express
- Aangen
- Blue Door (Construct)
- Buddy Services Centre for Seniors
- Building Up
- <u>Camino</u>
- Causeway Work Centre
- Community Builders
- Community Laundry Co-operative
- <u>Community Living Toronto</u> (Sunrise Janitorial Services)
- Do Good Donuts
- Eva's Print Shop
- FoodReach
- FoodShare
- Free Geek Toronto
- Furniture Bank
- Good Foot Delivery
- Green Shield

- <u>Infiniquard</u>
- <u>Just Like Family Home Care</u>
- Logical Outcomes
- MCIS Language Solutions
- New Path Foundation (The Common Roof)
- Out of The Box Property Maintenance
- Partners for Employment Enterprises / Entreprises Partenaires pour l'emploi
- Purpose Analytics
- Purpose Construction
- Rainbow's End
- RAINscapeTO
- RivInt Interpretation and Translation Services
- The Scented L'Air
- Smashing Good Pinatas
- The Learning Enrichment Foundation
- The Raw Carrot
- Threshold Construction
- United For Literacy Books
- Wesley First Start Café & Catering
- Wesley Interpretation and Translation Services
- Working For Change (Out Of This World Café)