

# Community Wealth Building Wednesdays

## Exploring Community Wealth Building Through Social Procurement in Ontario

The logo for Buy Social Canada is a white circle containing the text "buy social" in a bold, sans-serif font, with a small green leaf icon above the word "social". Below "buy social" is the word "CANADA" in a smaller, all-caps, sans-serif font.

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## PART 1

### The Supply-side of the Social Procurement Ecosystem:

#### Social Enterprises

This five-part knowledge series explores how a strong social procurement ecosystem builds community wealth in Ontario. The series will examine the entire ecosystem – the role of social enterprises as suppliers, the part played by social value purchasers on the demand side, and how community is defining and driving social value outcomes.

Each week, with the help of our panelists, we will explore one critical piece of this eco-system through an engaged virtual dialogue model.

In this first week we explore social enterprises in Ontario.

#### Brought to you by

This series is brought to you by Buy Social Canada in partnership with the Ontario Non-profit Network, Canadian CED Network, Ontario Trillium Foundation and AnchorTO.

# Community Wealth Building & Community Capital

In cities and rural communities across the province, many Ontarians are faced with income inequality, equity challenges and social exclusion. With the onset and recovery from COVID 19 the current market based threats will only worsen unless we can create an economic system that builds wealth and prosperity for everyone.<sup>1</sup>

Community wealth building strategies seek to empower communities by leveraging local resources to generate wealth equality. It does so through seven essential wealth building drivers; place, ownership, multipliers, collaboration, inclusion, ecosystems, and workforce development.<sup>2</sup> Each of these drivers offer a powerful contrast to the traditional economic practices. The webinar series will explore the relationships of the social procurement ecosystem and its different components as a means to build community wealth.

Another way of framing community wealth is to build community capital. Community capital is the foundation of healthy communities and consists of five kinds of capital: cultural, physical, human, economic and social. One way to create community capital, and the focus of our ecosystem journey, is through social procurement.

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Social procurement happens when purchasers use their buying power to create social value above and beyond the value of the goods or services being bought. Procurement becomes a means to create community capital and wealth.

## Social Procurement

Social procurement leverages a social value from existing procurement and provides the capacity to transform procurement from the traditional model of merely an economic transaction between buyer and seller, to a means for social transformation in communities. Social procurement, depending on the purchaser's goals, can include employment opportunities, including for persons facing barriers; training and apprenticeships; supply chain inclusion for social enterprises and social value suppliers, and local economic development.<sup>3</sup>

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<sup>1</sup> [Keane Bhatt, Educate and Empower-Tools for Building Community Wealth \(2015\)](#)

<sup>2</sup> [Marjorie Kelly, Cities Building Community Wealth \(2015\)](#)

<sup>3</sup> [Buy Social Canada, Social Procurement in 2021: Unprecedented Potential for a Paradigm Shift \(2021\)](#)

## Social procurement ecosystem

Ultimately, social procurement is a means to contribute to building community wealth and the creation of healthy and vibrant urban and rural communities.

The social procurement ecosystem is the specific marketplace in which the demand side and the supply side of social procurement interact. The supply side comprises of those supplying the goods and services within the marketplace, social enterprises and social value suppliers, and the demand side comprises of purchasers who are demanding those goods and services, such as governments, contractors, large corporates, and individual consumers. Like any ecosystem, it is made up of several highly interconnected elements. Each of these elements will be explored throughout the duration of this webinar series. The stronger the ecosystem, and the more integrated the elements, the greater the impact of our purchase, and the greater the community wealth and community capital created.

Imagine getting the products and services you or your business need, while also positively impacting the community you live in. This can be done by purchasing from social enterprises. Social enterprises are businesses, selling goods and services in the marketplace, with a social, environmental, or cultural mission, and they reinvest the majority of their profits back into that social, environmental or cultural mission. When you buy from a social enterprise, a ripple effect of social and economic impacts occurs throughout your community.

The success of social enterprises within the broader social procurement ecosystem ultimately rests on more than just their mission. Social enterprises cannot thrive unless the right conditions exist for them to succeed. This includes business acumen, appropriate financing, an enabling and supportive demand side-the purchasers, the presence of supportive regulatory frameworks and policies, and the intermediary role played by other organizations and networks.

## Social enterprises



Since 2015, Pathways has helped train nearly 400 Londoners through their Community Woodshop.

## Social enterprise pioneers



In 2016, TEF began supporting [Building Up](#), a construction social enterprise that provides training and employment in the trades to those who need it most. To date, more than 400 people have passed through their training program.

There are some key players who have helped build the social enterprise ecosystem in Ontario.

[PARO](#) has been supporting women-led social enterprises across Ontario since 1995. PARO has been providing funding opportunities, business development programs, advisory services and technical resources to women and women-led businesses across Ontario for the past 26 years. PARO does this through leveraging its network of social enterprises, entrepreneurs, and partner organizations. In the last decade alone, PARO has supported more than 22,000 women and social entrepreneurs through their programs and wrap around services. Rosalind Lockyer, the Chief Executive Officer of PARO, believes that social

enterprises, specifically women led ones, are the cornerstones of creating community capital and community wealth.

***“Collaboration has been an essential driver and one of the biggest reasons behind the economic success and sustainability of female-led social enterprises in our network all across Ontario.” – Rosalind Lockyer***

[Toronto Enterprise Fund](#) (TEF) was founded in 2000 and was one of the first programs to provide support and services to employment social enterprises in Toronto. Employment social enterprises are businesses that create training and employment opportunities for people facing systemic barriers to entry into the mainstream labour market.<sup>4</sup> TEF works towards creating an enabling environment for social enterprises to thrive in, and has supported more than 60 such enterprises since their inception 21 years ago. As an outcome of this support, 75% of all individuals participating in their programs have gone on to find training or employment opportunities. TEF shares knowledge, funding opportunities, tools and resources with these social enterprises and social enterprise owners. This in turn enhances social enterprise capacity and increases their preparedness to effectively respond to social procurement opportunities. Winning contracts allows social enterprises to grow their business and increase the employment and training opportunities for people facing barriers to employment.

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<sup>4</sup> [Toronto Enterprise Fund Website: What is an employment social enterprise](#)



***“A key to supporting social enterprises and helping them become sustainable, is to enhance their capacity to fulfill the purchasing demands of larger contractors and purchasers.” – Anne Jamieson, TEF***

Pathways Employment Help Centre is a London based social enterprise that assists individuals to overcome barriers to meaningful employment. They provide personalized employment services to job seekers, job matching and hiring assistance for employers, and specialized skills training and advocacy supports. In the last 10 years alone, Pathways has provided hands-on skills training to 1,800 individuals. They have worked with more than 1,300 employers and found employment opportunities for 3,200 job seekers. Through their London Community Woodshop, a community woodworking space founded in 2015, people can come to learn the art of wood crafting and furniture-making. In the past 6 years, they have trained nearly 400 Londoners and helped them to expand their skills, supporting them to create their own furniture and launch their businesses. Clean Works, another social enterprise supported by Pathways, is a community-based, service-oriented interior and exterior cleaning company. They specialize in interior janitorial services, graffiti removal and power washing. As a social enterprise their mission is to provide high quality cleaning services while making a positive difference in the lives of their employees by providing opportunities to staff to develop new skills and create positive outcomes for themselves and their families. Over the last 20 years, Clean Works has helped many employees as they transition into full time employment and overcome employment barriers.

***“Your social enterprise can truly achieve its mission when you balance financial sustainability with community benefits-this creates the highest positive outcomes for people” – Paul Hubert, Pathways***

PARO, Toronto Enterprise Fund, and Pathways have demonstrated that social enterprises have indeed been successful in creating community wealth by increasing employee incomes, increasing attachment to the labour market, improving health, increasing housing security, and keeping people out of the criminal justice system. Social enterprises create jobs and provide training and growth opportunities to those who have previously been excluded from the traditional labor market. When we purchase from social enterprises, we contribute towards those outcomes and create a ripple effect of social and economic wealth throughout our communities. Supporting social enterprises through purchasing builds the social procurement ecosystem and creates healthy and vibrant urban and rural communities.



Pathways has been a source of empowerment for thousands of local London residents – they have helped build community wealth by offering jobs and skill development training services to those most in need.



**#WealthBuildingWednesdays**