

ANSERJ

Canadian journal of nonprofit and social economy research /
Revue canadienne de recherche sur les OSBL et l'économie sociale



**Volume 6 Number 1 / Numéro 1
Spring / Printemps 2015**

www.anserj.ca

**Official journal of the
Association of Nonprofit and Social Economy Research (ANSER)**

**Revue officielle de
l'Association de recherche sur les organismes sans but lucratif et l'économie sociale
(ARES)**



Canadian Journal of Nonprofit and Social Economy Research
Revue canadienne de recherche sur les OBSL et l'économie sociale

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Vol. 6, No. 1
Spring / Printemps 2015
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ÉDITORIAL / EDITORIAL

Un avenir prometteur A Promising Future

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Avec ce numéro, la revue ANSERJ tourne la page. En effet, il s'agit du dernier numéro rédigé sous la direction des rédacteurs en chef fondateurs. Au cours des dernières années, ANSERJ s'est démarqué dans la collectivité des chercheurs sur les organismes sans but lucratif et l'économie sociale au Canada. En outre, grâce à sa croissance, elle a été appelée à se démarquer au niveau international. Alors que de nouvelles initiatives se sont développées, nous les rédacteurs en chef nous sommes efforcés de fournir une revue qui est pertinente, de qualité, agréable à lire et accessible pour les chercheurs et praticiens.

L'accent actuel d'ANSERJ est d'accepter des articles de grande qualité reflétant un large éventail de la recherche sur les OSBL et l'économie sociale. Dès le premier numéro, il était important de lancer ANSERJ avec une fondation solide de bons articles afin non seulement d'établir sa crédibilité et sa réputation mais aussi d'offrir un espace pour la réflexion sur une panoplie de sujets d'intérêt pour les chercheurs et praticiens canadiens et non canadiens. Nous sommes particulièrement fiers de la publication d'articles par

With this issue, ANSERJ is turning a new page in its life. Indeed, this is the last issue prepared under the direction of the founding editors. Over the past few years, ANSERJ has made its mark in the nonprofit and social economy research community in Canada and around the world. As new initiatives and developments take place, we strive to keep pace by providing a journal that is relevant, of the highest possible scholarship, and readable and accessible to scholars and community researchers alike.

The current focus of ANSERJ is to accept high-quality articles that reflect the wide spectrum of research endeavors within the area of nonprofit and social economy research as noted above. It was imperative at the launch of ANSERJ that a broad foundation of articles be published not only to establish its credibility and reputation, but also to provide a space for reflection on a variety of topics of interest to Canadian researchers and practitioners. We are particularly proud of the fact that the journal has published aboriginal and graduate-



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des étudiants de deuxième et troisième cycle et par des autochtones, de même que celle d'articles sur des défis actuels auxquels les coopératives font face.

La nature multidisciplinaire des recherches portant sur les OSBL et l'économie sociale signifie qu'ANSERJ comble un vide important, attirant des chercheurs voulant rejoindre une collectivité qui dépasse le cadre de revues disciplinaires. Même si elle ne se retrouve pas dans les classements, cette revue, grâce en partie au fait qu'elle soit à accès libre, jouit d'une excellente distribution avec bon nombre de téléchargements, et satisfait ainsi notre désir de rejoindre le plus de lecteurs possibles.

Les dernières statistiques par article révèlent que 97.5% de nos lecteurs proviennent du milieu universitaire et, en deuxième lieu, du milieu gouvernemental. Le tableau ci-dessous illustre l'accessibilité des articles et le nombre croissant de lecteurs et de lectrices. Nous comptons maintenant 477 utilisateurs inscrits et plus de 115 000 téléchargements d'articles à ce jour. D'autre part, grâce à notre politique de libre accès, le lectorat provient de partout dans le monde. Alors que 34% de notre lectorat vit au Canada, une forte proportion vit aux États-Unis, en Asie, en Europe et en Australie/Nouvelle Zélande. Ce phénomène reflète les résultats obtenus par Anurag Acharya et ses collègues dans leur article *Rise of the Rest: The Growing Impact of Non-Elite Journals* (Acharya et al., 2014). Dans cet article, ceux-ci démontrent statistiquement la croissance des revues non-traditionnelles, que l'on pourrait qualifier d'émancipatrice, indiquant une augmentation de 45% dans le nombre de citations. Quant aux articles publiés dans ANSERJ, ceux-ci ont été cités plus de 80 fois dans des articles publiés dans d'autres revues.

Ainsi, faire paraître un article dans ANSERJ est non seulement valable pour le chercheur lui-même, mais aussi augmente la probabilité que la recherche soit lue et citée. Tel est le pouvoir du libre accès.

Lancer une revue n'est pas une mince affaire, mais nous l'avons accomplie avec plaisir et avec l'appui du

student research articles, as well as research on contemporary issues facing cooperatives.

The multidisciplinary nature of nonprofit and social economy research means that ANSERJ fills an important cross-disciplinary niche that is attractive to scholars who want to reach the broad nonprofit and social economy community beyond discipline-specific journals. While not a ranked journal, ANSERJ, thanks to its excellent circulation and numerous article downloads, satisfies our desire to reach as many scholars as possible through an open-access portal.

The latest statistics on our individual article downloads reveal that 97.5 percent of our readers are in the academic community and, to a slightly lesser extent, government. The table below reflects how accessible our articles are and how frequently read they are. We now have 477 registered users and more than 115,000 downloads of individual articles to date. Because of our open-access policy, readership is also spread around the globe. While 34 percent of our readership is in Canada, scholars in the United States, Asia, Europe and Australia/New Zealand also read ANSERJ. This phenomenon mirrors the findings of Anurag Acharya and colleagues in *Rise of the Rest: The Growing Impact of Non-Elite Journals* (Acharya et al., 2014). In their article, these authors statistically mirror the growth of what one could call the emancipation of non-elite journals, citing a 45 percent increase in citations. Articles published in ANSERJ have been cited a total of 80 times in other journals.

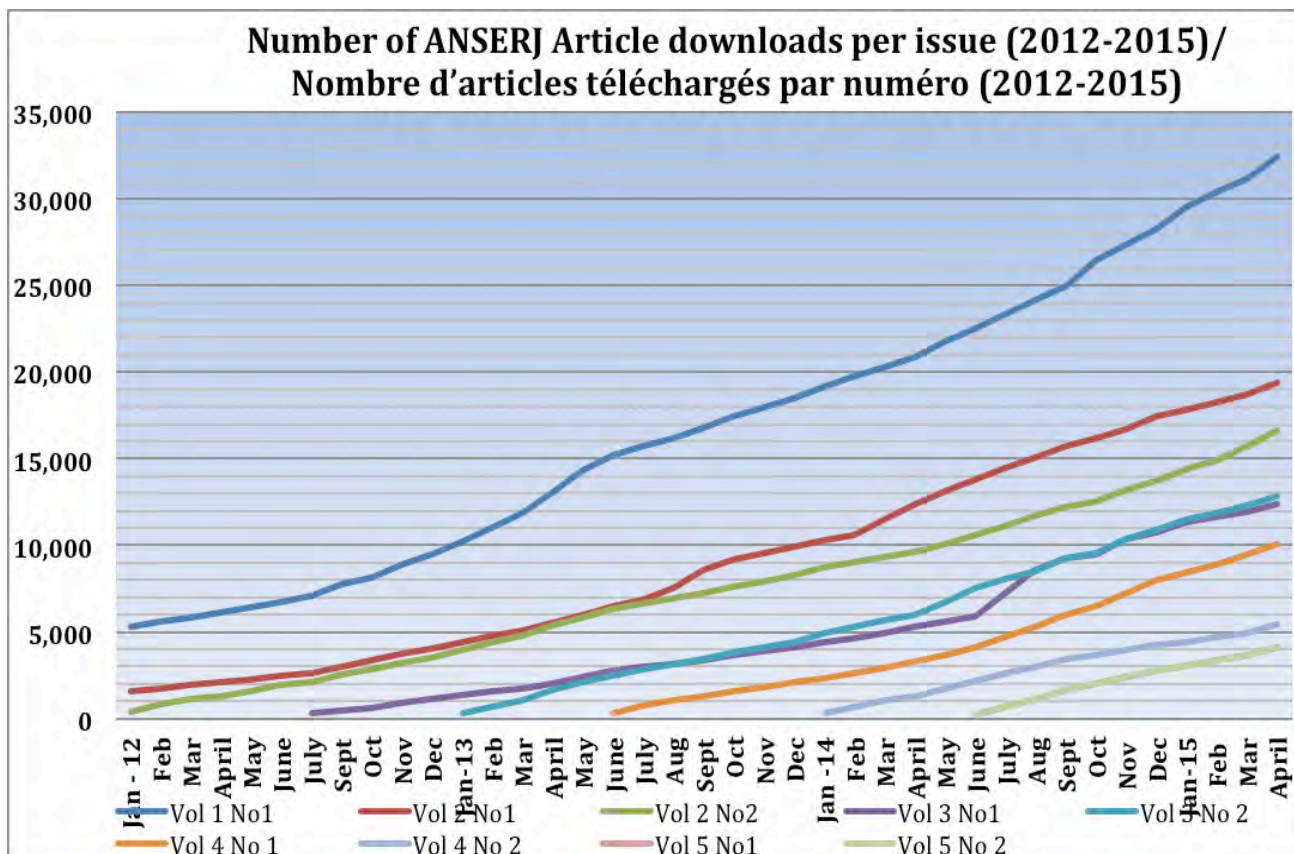
Hence, publishing an article in ANSERJ is not only valuable to you as a scholar, it increases the odds that your research will be both read and cited. Such is the power of access.

Starting a journal is not an easy task, but we have done so with pleasure and with the support of the Board of



Conseil d'administration d'ANSER/ARES, en particulier de l'ancien président Jack Quarter, ainsi que des divers membres du Comité de gestion de la revue et du Comité de rédaction. La confiance des auteurs, des évaluateurs et des lecteurs nous fait chaud au cœur. Nous sommes fiers du chemin parcouru et nous avons pleinement confiance que le nouveau rédacteur en chef francophone, Denyse Côté, et un rédacteur en chef anglophone, JJ McMurtry, sauront poursuivre le travail entrepris, tout en y apportant un dynamisme renouvelé et tout en consolidant les fondations pour guider la revue vers un avenir prometteur.

ANSER-ARES, particularly past President Jack Quarter, members of the Journal Management Committee and members of the Editorial Board. The confidence of authors, reviewers and readers warms our heart. We are proud of the progress we have made and have full confidence that the next English-language editor, JJ McMurtry and new French-language editor, Denyse Côté, will bring a renewed vitality to ANSERJ, strengthen its foundation and lead it forward into a bright future.



Reference / Référence

Acharya, A., Verstak, A., Suzuki, H., Henderson, S., Iakhiaev, M., Lin, C. C. Y., & Shetty, N. (2014). *Rise of the rest: The growing impact of non-elite journals*, pp. 1–11. URL: <http://arxiv.org/abs/1410.2217v1> [May 7, 2015].



Social Enterprises in Canada: An Introduction

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INTRODUCTION

This special edition of ANSERJ is the result of two years of labour by researchers across Canada as part of the “International Comparative Social Enterprise Models” (ICSEM) project. The objective of this special edition is twofold: First, to provide researchers access to this cutting edge research, which examines social enterprises as they emerge amongst regional and cultural groups within Canada and, second, to provide a theoretical and practical “snapshot” of social enterprise at this important historical juncture. We hope that by taking and sharing such a snapshot, research on social enterprise in Canada and globally can be advanced. Therefore these articles focus on outlining the *practice* of social enterprises in various regions as it is emerging and not on final conclusions or singular interpretations. We believe however that on balance, given the surge in interest in social enterprise amongst practitioners, policy makers, academics and the public at large, the risks of publishing emergent research are outweighed by the benefits of moving the conversation on social enterprise forward.

The articles that follow in this special edition are organized around geographical and cultural groups, outlining regional differences in the historical development and conceptual understanding of social enterprises across Canada. This introduction has been constructed to provide an overview of these articles, providing a high level analysis of the national characteristics of social enterprises in the regionally and culturally diverse country of Canada. For those interested in a more fully articulated version of this overview of the Canadian social enterprise landscape, they can look towards the Canadian report in forthcoming ICSEM working paper series, from which significant components of this introduction have been drawn. (Please see the ICSEM Canada website for further information on this project or to read the Canadian or Quebec reports: <http://http-server.carleton.ca/~fbrouard/ICSEMCanadagroup> .)

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The main findings of the Canadian ICSEM report are that there are five main types of social enterprise *practice* in Canada, which cut across the cultural and policy regimes: cooperatives, nonprofit organizations, community development/interest organizations, Indigenous businesses, and business with a social mission. Further, the report argues that social enterprises are not simply the result of the activities of entrepreneurs, either collective or individual, but also provincial government legislation and major enabling institutions (e.g., university institutions, social networks and movements, entrepreneurial spaces, and funding agencies) that have a major influence on how we can understand the context and emergence of social enterprise models.

This introduction will therefore outline the legislative, conceptual, and social enterprise models that frame the emergence of social enterprise in Canada. It is our hope that by so doing, we will provide a context within which the more focused regional articles that make up this special edition can be more broadly understood.

UNDERSTANDING THE CANADIAN SOCIAL ENTERPRISE LEGISLATIVE CONTEXT

Most readers will know that Canada is divided geographically into ten provinces and three territories and five main regions (Atlantic Canada, Québec, Ontario, Western Canada and the territories of the North). These geographical and regional contexts are important because they form in significant ways the legislative frameworks within which social enterprises emerge. Legislatively, Canada is governed at four levels: the federal, provincial/territorial, local/municipal levels and by Indigenous governments. Legislative responsibilities are divided between the different levels of government based on a long history of colonization and decolonization, which has created significant overlap and tensions between the various levels' governments around policy jurisdiction. This ambiguity, and sometimes outright conflict, at the legislative level creates numerous problems for emerging sectors and institutions, such as social enterprise, because it is not entirely clear which level of governmental jurisdiction they fall under, whose responsibility it is to promote these kinds of activity, how to harmonize these policies, and how to facilitate and formalize activity that emerges from the activity of practitioners as opposed to politicians. Finally, some government initiatives are seen in the context of colonialization (especially in the Francophone and Indigenous communities), which hampers the development of clear national policies, practices, or frameworks. At the same time, the diversity of institutional and cultural contexts within a single nation creates room for experimentation and learning.

The diversity of Canadian cultural and legislative contexts has had a significant influence on the emergence and practice of social enterprise in Canada. Social enterprises have embedded themselves, or are embedded in, these legal and cultural communities in important ways. Therefore to talk about social enterprises in Canada means that one must discuss the uniquely regional and cultural context within which they emerge. Even within regional and cultural contexts, some significant tensions exist. For example, in Québec social enterprise is not the dominant concept in the francophone community, who prefer generally to refer to the social economy. This is the result of significant and impressive work by a number of social movements and groups—notably the Chantier de l'économie sociale—but is not universally shared by other communities such as the affluent English community in Montreal (see the article by Bouchard, Cruz Filho, & Zerdani in this edition). In Atlantic Canada, there is a strong sense of place and history that influences how social enterprises develop and are seen by practitioners and policy makers, even if there is not complete consensus on this concept (see Lionais in this edition). In Ontario, its situation as the historical financial and economic centre of Canada has deeply coloured the development of social enterprise in this province, with a strong focus on the enterprise side of the equation, but also features strong collective and social organizations that cut against this trend (see Brouard, McMurtry, and Vieta in this edition). In Western Canada, specifically Alberta and British Columbia, there is a history of

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more right of centre governments (similar to Ontario in the 1990s) that have created an environment that has been conducive to innovations of social service delivery more independent of the state, but these feature a range of organizations and solutions to the problem (see Elson and Hall in this edition). Finally, Indigenous communities across the country have become increasingly involved in social enterprise development, but within the challenging contexts of demographic trends, colonial legacies, poverty and social exclusion (see Sengupta, Vieta, and McMurtry in this edition). Consequently, for every assertion that follows about practices and typologies, it is important to remember that there are innovations and practices on the ground that challenge these claims. Therefore, readers should exercise caution with the necessary generalizations on the nature and practice of social enterprise that emerge below.

UNDERSTANDING CONCEPTS AND CONTEXT

There are three ways that the emergence of social enterprise in Canada can be framed—historical, contextual, and conceptual. As mentioned above, social enterprise is contested as a concept and a practice in Canada, and this introduction now turns towards developing an understanding of social enterprise in Canada that is sensitive to the differences, while articulating the similarities, of this emerging sector.

Historical

A significant reason for the difficulty of establishing an agreed upon conception of social enterprise in the Canadian context is the fact that the term has largely come from “outside” of existing practices and cultural histories. This is to say that there were similar longstanding, unique, and specific practices that had developed in specific contexts long before the concept of social enterprise began to emerge. Further, these established practices, for example co-operatives, mutuals, or market-oriented nonprofits, have seen numerous “framing” concepts come and go (such as community economic development, the third sector, social economy, social purpose businesses) without necessarily leading to improvements in public awareness or legislative frameworks that would have facilitated their work. Indeed, one of the key experiences of the practitioners of social enterprise is that the concept is not one of their own making, but rather a concept that has taken hold in the minds of the public, policy makers, and, significantly, business and has been applied to them. Further, the cultural contexts within which these terms are employed (see for example McMurtry 2010) have developed independently of each other, and reflect significantly different historical realities. Most basically the Indigenous, Anglophone, and Francophone communities have all had very different religious, colonial, and political realities since colonization, which cannot simply be erased by new academic definitions or government priorities.

This experience of social enterprise coming from “outside” has meant that for some communities the concept is treated with suspicion. For example, in Indigenous communities the idea of any Federal or Provincial policy encouraging a particular type of business in these communities can be seen in the context of colonialization—especially given the history of residential schools that forcibly took young Indigenous children away from their families in the name of providing “a better future” (see Sengupta, Vieta, and McMurtry in this edition). Or in the case of Québec, Federal government programs have historically been imposed on the Francophone population without consultation, which has created a climate of suspicion towards any such policy. Since social enterprise combines the idea of a social mission with business activity, questions such as whose social mission is being forefronted, by precisely which business means or operations, and in the service of what end, must be confronted within the layered and complex Canadian context.

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Despite these limitations to the concept of social enterprise, the authors of this special edition have identified five endogenous cultural groupings to focus the articles in this journal; namely Atlantic Canada, Québec, Ontario, Western Canada and the North, and First Peoples. Within these groupings, we can also identify three important gateways for policy development on social enterprise—municipal/band government, provincial government and national government—which can have differential and sometimes contradictory understandings of social enterprise. Further, there are strong articulations of policy needs and practices of social enterprise within communities and social movements that have, for example in the case of Québec, impacted policy frameworks and can with confidence be looked on as sites of future policy development. These endogenous cultural groupings do not operate completely in a vacuum, but rather are coloured by the surrounding context of forces that are at play around them.

Contextual

We therefore must look at the larger context of social, political, and economic forces within which the practice of social enterprise has emerged in Canada to contextualize the articles that follow. In short, we must recognize that the five cultural groupings identified above are not just endogenous in their formation, but are heavily influenced by exogenous factors in ways that are somewhat unique, but that are also informed by comparison, learning, and exchange. We have identified five exogenous influences that have differential impacts on social enterprise development in Canada: the United States of America, the United Kingdom, continental Europe, Indigenous' history and traditional practices, and a wide variety of immigrant communities. None of these influences is singular or homogenous, but it is important to recognize their impacts and unique influences. It is also important to note that many social enterprises rely on government funding in one way or another to support their social purpose.

These five influences are often contradictory in the direction they provide for social enterprise. First, there is the strong influence of the United States and its focus on entrepreneurship and self-sufficiency—an influence that is especially powerful in Canadian Anglophone communities. Thus the dominant formulation of social enterprise in the Western, Ontario, and Atlantic regions as well as the Territories, especially from the point of view of government and funding bodies, is one that focuses on individual entrepreneurs creating successful businesses that have, as an important element, a broadly construed social purpose (e.g., employment or environmental need). This focus highlights the important difference between social entrepreneurs and social enterprises in terms of the emergence of social enterprise policy, practice, and public awareness.

Secondly, and relatedly, there is the influence of the social enterprise movement in the UK, which is similar to that in the United States but with a more socially focused and developed policy component that has elements of community ownership and social care, growing as it did out of a more extensively developed, and more extensively retrenched, welfare state system. Thus the state can create policies (for example, the Green Energy Act in Ontario, which brings in a Feed-In-Tariff and community ownership models for alternative energy in the context of an increasingly deregulated energy grid) that encourage community ownership and control, as well as opportunities for social entrepreneurs. Or, as will be discussed below, the idea of a Community Interest Corporation has begun to take hold, especially in the Atlantic region, building on the experience in England. Again, this “British” model is gaining increasing political acceptance in Anglophone communities especially in policy, although implementation is underdeveloped and contested both politically and socially.

Thirdly, and this is particularly true of Francophone and immigrant communities, there is the influence of a continental European understanding of social enterprise in line with the EMES definition, especially in Québec. This conception tends to focus strongly on social movements and solidarity economics, with a focus also on

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democratic practice and community control. While these practices are by no means dominant outside of Québec, they have strong roots in a variety of locations and communities. In fact, one can see hybrids of the first three forms in almost every jurisdiction in Canada.

Fourthly, Indigenous communities have developed their own understanding of social enterprise from their long history of colonial exploitation, experiences of racism, and economic marginalization. While not “outside” of the history of Canada per se, the influence of the innovations of some Indigenous communities on others can be seen as an exogenous influence. Indigenous communities across Canada also share a relationship to the federal government in a variety of policy arenas that are located at the provincial level for non-Indigenous communities, including governance, infrastructure, housing, and education. Crucial in these communities is the often-overlooked and shared fact that officially there is collective and generational ownership of reserve land, which creates opportunities (collective ownership) and barriers (no collateral for capital) to social enterprise development. These communities tend to have a focus on community economic development and, unlike other communities, less suspicion of large corporations (for example Membertou First Nation in Sydney, Nova Scotia) participating in that community economic development (from resource extraction to tourism), which forms another exogenous influence.

Finally, as a largely settler nation with a continuing and strong tradition of immigration, it is important to acknowledge the role that Canada’s increasingly diverse (and urban) immigrant communities are playing in innovating within the field of social enterprise. These communities both influence social enterprise development through the innovations that they implement in order to acclimatize to unfriendly and often hostile conditions as well as through their contributions of forms of social enterprise that they bring from their experiences in the countries from which they came.

Conceptual

As a result of the wide range of cultures, regions, and influences in the Canadian social enterprise context, it should be no surprise that there are debates and tensions around the conceptualization of social enterprise in Canada. The ways in which these debates play out often reflect the historical and cultural contexts that are specific to Canada. There are consequently tensions in the patterns of emergence of these concepts that range from social movement articulation (i.e., the emergence of social economy in Québec, or place-based business in Eastern Canada) to government imposition through policy (e.g., Ontario’s creation of “community co-operatives” for alternative energy or its Impact Plan for Social Enterprise) that often happens without consultation of established organizations and movement players. Finally, the concept of social enterprise has in certain cases been “hijacked” by established for-profit businesses that enjoy the “branding” advantage that the idea of social enterprise brings. All of these disagreements create a climate of contestation and confusion in the public sphere, which does, and will continue to have, an impact on the practice of social enterprise as it develops. In other words, what forms a social enterprise “should” or “could” take are not yet fully articulated (and perhaps should not be), and the idea of a standard typology is not firmly established nationally, despite the fact that there are strong regional understandings and practices (Elson & Hall 2012).

Despite all of these tensions however the undeniable reality across Canada is that social enterprise is a concept and practice that is taking hold “on the ground,” and is a creative, emerging sector of the economy. Further, while not dominant, it is a concept that is explicitly used in every area of the country and has been formalized in legislation in a variety of jurisdictions. Academics and civil society activists have also taken up the term in a variety of ways, but the fact is that policy makers, academics, and activists are just starting to catch up to the

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innovations on the ground. These innovations are identified within the articles that follow.

Given this rich tapestry of understanding, practice, and influence, the authors of this special edition took several basic typology approaches to frame their articles. The first is the EMES typology, which helps identify three key components of social enterprise: economic and entrepreneurial; social; and participatory governance. While there are a wide variety of “levels” of each of these three areas in each cultural region, this typology was useful in terms of establishing qualitative features of social enterprises. Even in the “absence” of some of these features, this definition was useful in identifying and examining social enterprise in a variety of contexts. In the Atlantic Canadian and Québec articles the EMES definition has had the most impact, but there are important exceptions. In the Atlantic Canada article the notions of “place” and “community” are particularly strong components of social enterprise (perhaps a result of the long history of this region’s economic and geographic isolation), and in the Québec article the idea of the social economy, which has strong elements of solidarity and social movement concerns as a result of hard-won experience of establishing the social economy in policy and practice, was seen as crucial to their self-conception and in many ways antithetical to the emergence of social enterprise in the North American context (see above).

Elson, Hall, Leeson-Klym, Penner, and Andres, authors of the Western article, develop a second framework for social enterprise, describing a view of social enterprise as emergent and not yet established enough for solid typologies. However, they used a framework to mix the “taxonomy” approach to social enterprises (a focus on the legal and ownership structure of social enterprises) with a more qualitative approach that looks at the purpose and values of social enterprises. Third, Madill et al. (2010) focus on the dimensions of social transformation, financial self-sufficiency and innovation to examine social enterprises. Fourth, Bouchard et al. (2013) analyze a number of typologies and retain four dimensions between social purpose and economic activity, namely democratic governance, autonomy and independence, limited or prohibited profit distribution and organized production of goods and services. Again, those frameworks were considered by the researchers to be guides, rather than “set-in-stone” definitions, and this has led to unique interpretations of the practice of social enterprise in each cultural and regional context.

One can add to this debate the hesitation of some Indigenous scholars (e.g., Wuttunee 2010), who reject both the concepts of social economy and social enterprise as colonial impositions, preferring to conceive of economic activity owned and operated by Indigenous as “community capitalism.” Further, in Western Canada and Ontario and for Indigenous peoples, the concept of participatory governance was not seen as important to the concept of social enterprise (for different reasons); rather the focus was on economic activity in the service of some kind of social impact. We therefore look in this special edition not to impose a single typology on Canada or any of the cultural regions, but to incorporate the elements of these definitions that are most applicable to the various contexts.

Finally, it is important to highlight that in the Canadian context there are four important larger interrelated ideological contexts that colour the debate on social enterprise across the country and within each cultural region; such ideological contexts are related to the historical and contextual issues outlined above. The first is the emergence, since the 1980s, of an increasingly hegemonic neo-liberal policy and economic framework. This ideological climate has been both an inspiration to, and limit for, the emergence of social enterprise in Canada and has pushed policy and practitioners towards an increasingly economic focused, competitive, and individualistic conception. Secondly, since the deep recession began, in 2008, there has been a climate of

austerity in the Canadian, and indeed global, context which influences how social enterprises are seen—increasingly as more cost-effective providers of service delivery for governments—and the funding available for them. Arguably, however, the Canadian experience with austerity has deeper roots, to the budget cutbacks of the mid-1990s. Third, this climate of austerity has increased the pressure on social enterprise in Canada through the downloading of social services to regions or municipalities (the most emblematic of these are service cuts to Employment Insurance and cuts to the transfer payments from the Federal to Provincial governments). One way in which this impulse has been expressed in the Canadian context is through the insistence/valorization of “partnerships” as a mode of service delivery—so opening the door to sub-national engagement with the sector. Fourthly, there has been a retreat of the Welfare State over the last 35 years that has led to a belief that the state is not an efficient provider of social services, coupled with the promotion of notions of self-sufficiency for communities and community organizations. This has meant that there is increasing interest in social enterprise as a “third way” for the provision of social good, but also that there is increasing pressure on social enterprises to prove that they are an efficient way to deliver these social goods.

These four ideological contexts influence conceptions of social enterprise in different regions and also help identify different social responses from the representation of this ideological climate, one which ranges from providing an opportunity for the “heroic” entrepreneur to a clarion call to civil society to foster collective entrepreneurship in response to the negative social impacts of these ideological agendas. The conceptual climate of social enterprise, while contested, has important shared elements, which we follow through in the section below.

Identification of social enterprise (SE) models

Now that the historical, contextual, and conceptual frameworks have been outlined, this introduction concludes with identifying a social enterprise typology that focuses on both the diverse practice and the values of social enterprise activity in Canada. To do so we highlight five types of practice in the country that are emblematic of social enterprise and are present—although unevenly developed—in all cultural contexts. We have taken this approach to get past the “noise” of social enterprise discussion and look at how it is actually practiced on the ground. From these practices we have identified certain values within social enterprise in the Canadian context.

We must remember that given the different histories and practices of the various social enterprises in Canada, these organizations have a desire to be classified in a number of different ways, depending on the audience and what is at stake in the classification (funding, public perception, regulatory rules, political climate, etc.). For example, cooperatives in Canada will variously identify as: social enterprises, social economy organizations, cooperatives, successful for-profit businesses, and sustainable, “green,” and “good” enterprises. The issue for researchers is to penetrate these discourses by identifying the cultural, economic, and political contexts within which they are employed and look to how cooperatives actually practice their values and undertake their business. From the various case studies undertaken in the region reports outlined above, we were struck as authors at the consistency of forms of social enterprise, as well as the value propositions they articulated in their practices.

Despite the different *theories* of social enterprise mentioned above, we identified five main sets of social enterprise *practice* that cut across the cultural and policy regimes: cooperatives, market-oriented nonprofit organizations, community development/interest organizations, Indigenous businesses, and business with a social mission. We identify these five models because they have clear, if diverse, fields of activity, distinct social missions and target groups, legislative supports, and governance models. Perhaps most importantly, they are

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almost exclusively the organizational forms that social enterprises take in the Canadian context. We will discuss each in turn.

The cooperative movement in Canada touches almost every economic sector (with the manufacturing sector being the major exception) and has developed six distinct forms to address the different needs of these economic activities. Crucial to the cooperative form are the values of member ownership and control through democratic processes and the economic betterment of members through product quality, price and/or dividend. First, and most common, are consumer cooperatives (including housing, and goods and services cooperatives), which are focused on the delivery of specific consumer goods to members at affordable prices—the key examples being in natural and organic food, outdoor equipment, cooperative advocacy groups, and full-service supermarkets in rural and urban underprivileged areas (Neechi Foods in Winnipeg, Manitoba, is an excellent example of this type of social enterprise).

Secondly, there is the historically important form of producer cooperatives, which link up producers (usually agricultural producers, including fisheries) to marketing cooperatives to bring goods to market, thereby creating economies of scale for smaller producers as well as significant economic dividends for producers. In every region of Canada, producer cooperatives have emerged (historically in farm marketing), and continue to emerge, especially in niche and high-quality food sectors like organic food. They have also been particularly important to the development of the economies in each region and cultural group, and continue to be an important part of the identity of these regions.

Thirdly, worker cooperatives have emerged to provide the social good of work and economic security for their members. While there are historical worker cooperatives in resource extraction (in fishery or forestry for example) in many parts of Canada, the key areas of emergence in the last thirty years are in goods and services such as fair trade products (namely coffee, tea, chocolate, and sugar) and retail, construction, and a variety of specialty services and goods.

Fourthly, financial (credit unions) and insurance cooperatives are technically a type of consumer cooperative, but have developed into their own unique type of cooperative, with specific legislation and economic clout beyond any other cooperative sector. While these cooperatives have been experiencing increasing mergers and acquisitions over the past decade, with very few new financial cooperatives emerging, they are important players as financiers and facilitators of other forms of cooperatives and, potentially, social enterprise. For example, Vancity Credit Union and other British Columbia-based finance co-operatives have underwritten much of the social enterprise sector development in the province.

Fifthly, cooperatives have also innovated over their long history in their governance structures, creating new forms of cooperative, specifically federations and other amalgamated organizations, which have become facilitators of cooperative social enterprises. Perhaps the most famous international organization of this type is Mondragon in the Basque region of Spain. In Canada, the most famous forms of federated cooperatives are the Co-operators Insurance Co-operative and Desjardins Credit Union. There are also new forms of cooperatives emerging in both the service (for example the provincial and national cooperative organizations) and product sectors (federations of cooperative food-buying clubs for example), as well as cooperatives that have their own specific legislative frameworks (such as renewable energy cooperatives in Ontario), which focus on achieving new and emerging social goals, member economic benefit, and regional economic development.

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The sixth and final form of cooperative enterprise in Canada are the multi-stakeholder or, in Québec, solidarity co-operatives, which combine different member groups (for example consumers and workers) in one co-operative to achieve the broad social goals articulated by those member groups within a single economic organization. So far, these have been very hard to develop but could become increasingly popular.

The co-operative “set” of social enterprises (including the nonprofit cooperatives—although inclusion of them under the umbrella of social enterprise is contested) in Canada can be therefore seen to be active in a variety of fields of economic activity, to serve a broad and diverse series of social goals, and to employ a range of governance structures, depending on the membership and stakeholders with which the co-operative is concerned. It would not be an overstatement to claim that co-operatives have the most developed legislative frameworks and practical experience of all social enterprises in Canada, even if they are often not considered by policy makers, or the public at large, as the most interesting form of social enterprise.

Non-profit organizations in Canada are also active in every region of Canada and have a long and varied history in the social enterprise realm. Despite provincial regulation of incorporation (e.g., via various provincial “society acts”), the fact that the federal government can award them charitable status (which comprise about half of registered nonprofits in Canada) means that they are much more closely connected to the federal government, as opposed to provincial or municipal entities, and therefore their organizational form is far less variant. This is not to say that the range of activities with which non-profits are involved is in any way singular. In fact, they are remarkably diverse in activity, even if their governance structures tend to be similar, with an independent management team and a volunteer board responsible for strategic decisions. This diversity is expanding with the recent tendency for non-profits to be engaged not just in service delivery, which would not, under most definitions, be considered social enterprise proper, but also in incubating and becoming reliant upon income-generating enterprises, either as part of the core activities of the nonprofit or as wholly-owned subsidiaries of these entities.

Community development/interest (CD/CI) organizations in Canada form an emergent (although they began to emerge in the 1960s) set of social enterprises that are often on the cutting edge of policy and practice in Canada. Again, like co-operatives and non-profit organizations, CD/CI enterprises have a variety of fields of activities, social missions and target groups. However, unlike the previous two types of social enterprise, they are not as well articulated in policy, legislation, or governance at the national level as CD/CI organization (although many are incorporated as non-profits or co-operatives). Indeed, outside of Quebec and the Atlantic region, these organizations are largely self-regulating as CD/CI entities and entrepreneurial in their social goals and organizational structure. These are essentially organizations born of social movements or social movement actors. A good exemplar of these types of organization across Canada is the unregulated “fairly traded” or “level trading” organizations (as opposed to the certified “fair trade” and largely co-operative businesses). These businesses undoubtedly have a social mission; however, the regulation of their mission by the state, or an independent NGO-regulating body, is entirely absent. They therefore rely on trust and the belief of their clientele in their authenticity, and the quality of their boards or staff, which raises questions about the guarantee of their social mission and their status as social enterprises. This type of unregulated and unauthenticated social enterprise loosely associated with a social mission or social movement is becoming more and more prevalent in an increasingly crowded “social business” marketplace and raises the question of the role of the state and NGOs in ensuring verifiable social content.

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Indigenous business forms the fourth set of social enterprises in the Canadian context. Again these social enterprises have a broad field of activity, including work integration, tourism, basic good provision, culturally specific goods and services, resource extraction and trade in commercial goods. However, what distinguishes this form of social enterprise from other social enterprise forms, such as co-operatives, non-profits, and community development/interest corporations, is their specific focus on Indigenous community well-being as their primary social goal. In some cases (Membertou First Nation in Cape Breton being one), the economic activities that the First Nation is involved in are almost indistinguishable from capitalist businesses (such as brand name hotels, restaurants, and gas stations), except for the fact that they are incorporated and owned by Indigenous communities, usually through their band councils, who use the profits to develop community resources such as schools and infrastructure. In the context of ongoing economic colonialization, these social enterprises are distinct and challenge dominant understandings of social enterprises. For example, many Indigenous economic entities are, both in law and practice, collectively owned if they are located on band land or use band resources. Many of the sources of capital and resources that facilitate individual businesses are also directly connected to Indigenous government or treaty rights. For example, the tax exemptions, as a result of treaty rights, can facilitate Indigenous businesses (often in “sin” businesses such as casinos, gas stations, and cigarette and alcohol retailers) that can use the profits from these activities to fund social projects for the good of the community. As the youngest and fastest growing demographic group in Canada, Indigenous people have enormous potential as sites of social entrepreneurship and social enterprise activity.

Finally, businesses with a social mission form a distinct type of social enterprise, mainly in the central and western provinces of Canada, although the inclusion of these entities within the social enterprise family is contested. These are often, but not exclusively, traditional sole-proprietorship or even publically traded corporations that articulate a strong social mission in one area of their businesses. They can also be part of, or strongly associated with, foundations or other granting agencies. Again, the types of activity that these organizations can be involved in are widely variable, because inclusion requires simply some kind of publically recognized social mission. What distinguishes them from the first three forms is that they are traditional for-profit businesses first. The fact that they are incorporated to achieve, or focus on, or are “retrofitted” to target an identifiable social mission is what their proponents argue makes them social enterprises. It is likely that, if the definition of social enterprise remains an open category in the public’s minds and in policy circles, this type of social enterprise will become increasingly popular as businesses try to “social-wash” their activities.

Table A summarizes the five social enterprise models in Canada along the legal structure and ownership dimensions and provides a few examples of social enterprises for each model.

Table A: Summary of Canadian social enterprise models

Models	Cooperative	Non-profit organization	Community development /interest organization	First Nation businesses	Business with a social mission
Legal structure	Cooperative	Non-profit corporation; Charities (charitable organization, foundation (private, public) Association; Informal Group	Community enterprise; Community-owned organizations; Associations	Non-profit corporation; For-profit corporation; Partnership; Unincorporated business	For-profit corporation; Partnership; Unincorporated business; Community Interest Company (CIC); Community Contribution Company (CCC)
Ownership	Individuals	Members	Community Government (local, provincial, federal)	First Nation	Public Individuals
Examples	MEC; Agropur, Co-op Atlantic, Desjardins, Alterna, Sumac Worker cooperative, Neechi Foods	FoodShare, SABRI	Carrefour Jeunesse Emploi, ZEC	KUTERRA Membertou	Groupe Convex, Communauto

CONCLUSION

It is important to remind the reader that while these models of social enterprise have emerged across the country, they are substantially nested within the cultural contexts discussed above. For example, within Québec, at least the first three of these five sets of social enterprises are nested within a strong policy and social movement context that is understood as the social economy. In fact, these models of social enterprise are often massaged to purpose by a myriad of organizations to advance their missions and goals—for example private foundations, public foundations, NGOs, etc. all develop and use these forms to articulate part of their social missions. Even when the model of social enterprise is in an emergent or minority position in a cultural context (business with a social mission in Québec, for example), it still tends to reflect a cultural context (the minority Anglophone communities in Montreal, for example, as advocates for business with a social mission in Québec). In other words, the climates that encourage social enterprises vary widely and are dependent on the history and context that have given rise to them. Further the fact that social enterprise models are chosen by a variety of social actors is a fact that cannot be ignored when discussing typologies and definitions. Social enterprises can be developed *sui generis* by communities, or individual entrepreneurs, or like-minded groups, based on a wide variety of social missions and goals, just as they can be “encouraged” by state policy at the national, provincial, or municipal level or imposed “top-down” by businesses, non-profit organizations, or foundations.

With the overarching framing outlined in this introduction in mind, we encourage the reader to explore the papers in this special edition, and to see social enterprises as they emerge in Canada as an exciting, diverse, and rich new component of the Canadian economy.

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Les entreprises sociales au Canada: Un bref exposé

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INTRODUCTION¹

Ce numéro spécial d'ANSERJ est le résultat de deux années de recherches réalisées par des chercheurs canadiens impliqués dans le projet International Comparative Social Enterprise Models (ICSEM)/Comparaison internationale des modèles d'entreprises sociales. Ce projet, dirigé par deux chercheurs européens, Jacques Defourny et Marthe Nyssens, a pour objectif de mener une comparaison internationale des modèles organisationnels et des modes d'institutionnalisation de l'entreprise sociale. L'objectif de ce numéro spécial de la revue est double. Premièrement, il s'agit de présenter aux chercheurs et aux praticiens les résultats d'une recherche de pointe examinant les entreprises sociales dans différentes cultures et régions du Canada. Deuxièmement, il s'agit d'offrir un bref portrait, autant théorique que pratique, des entreprises sociales à un moment charnière de leur développement. Puisque la totalité des contributions de ce numéro sont présentées en langue anglaise, l'objectif de cet article est d'offrir un rapide exposé en langue française de certains aspects de ces articles qui nous apparaissent importants. La lecture complète des articles est toutefois fortement recommandée car elle permettra au lecteur de se saisir de toute leur richesse.

Nous espérons que ce numéro permettra de faire avancer l'état des connaissances au sujet des entreprises sociales au Canada et de les faire connaître à l'échelle internationale. Il est important de noter que, bien que les articles aient tous fait l'objet d'une évaluation à double insu par des pairs, il ne s'agit pas de textes rédigés dans le style habituel d'articles scientifiques. Nous nous excusons auprès des lecteurs pour la nature parfois spéculative de certaines affirmations théoriques et pour le fait que les études de cas présentées ici n'offrent qu'une esquisse des organisations. Le contexte dans lequel ce projet prend place explique en partie ces limites puisqu'il s'agissait de mener une comparaison des entreprises sociales à une échelle internationale à l'aide d'un

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outil suffisamment souple pour en saisir les manifestations différenciées dans différents pays, et suffisamment ouvert pour y inclure des phénomènes encore très peu codifiés. Compte tenu de l'intérêt grandissant pour les entreprises sociales parmi les praticiens, les décideurs politiques, les universitaires et le public en général, nous sommes toutefois d'avis que les avantages dépassent les risques de publier des résultats de recherches émergentes. Il s'agit selon nous d'une occasion d'éclairer le débat et de faire avancer la discussion. Nous espérons que les lecteurs seront d'accord avec notre vision.

Les articles soulignent les particularités du développement historique et conceptuel des entreprises sociales dans les différents contextes territoriaux et culturels qui composent la réalité canadienne. Ceci permet d'avoir une vision globale de ce que représente le concept d'entreprise sociale au Canada et de ce qui constitue les points communs et les variantes de son utilisation dans les différentes régions et nations canadiennes. L'introduction du numéro, dont s'inspirent certaines portions du présent article, offre un survol des différents articles et fait une analyse globale des caractéristiques des entreprises sociales dans un contexte aussi diversifié géographiquement et culturellement que l'est celui du Canada.

La série de rapports nationaux (à paraître) préparés pour le projet ICSEM offre une perspective internationale des entreprises sociales.² Parmi les résultats, le rapport ICSEM Canada indique la présence de cinq modèles principaux d'entreprise sociale. Ces modèles sont : les coopératives, les organismes sans but lucratif, les organismes de développement communautaire, les entreprises autochtones et les entreprises avec une mission sociale. Ce rapport montre clairement que les entreprises sociales ne résultent pas seulement de l'initiative d'entrepreneurs, collectifs ou individuels, mais aussi de la législation et des politiques publiques, d'institutions telles que les universités, des réseaux et des espaces entrepreneuriaux ainsi que des instances de financement, notamment les fondations.

L'ensemble de ces influences aide à expliquer les modèles d'entreprise sociale au Canada et à en comprendre le contexte d'émergence. Le bref exposé qui suit souligne certaines dimensions du contexte législatif et conceptuel et présente aussi un résumé de certains éléments des articles de ce numéro.

COMPRENDRE LE CONTEXTE DE L'ENTREPRISE SOCIALE AU CANADA

La plupart de nos lecteurs savent déjà que le Canada est divisé géographiquement en dix provinces et trois territoires au sein de cinq régions principales (Maritimes, Québec, Ontario, Ouest canadien et les territoires du Nord), et qu'il est composé de différents groupes linguistiques et nationaux : autochtones, francophones et anglophones. Les différences géographiques et culturelles sont importantes car elles influencent le cadre législatif dans lequel émergent les entreprises sociales. Au Canada, la législation se situe à quatre niveaux de gouvernement, soit fédéral, provincial/territorial, local/municipal et autochtone. Les tensions entre les différents niveaux de gouvernement créent dans certains cas une ambiguïté dans le partage de responsabilités entre eux en ce qui concerne notamment les entreprises sociales.

L'ambiguïté des contextes législatifs et culturels au Canada crée toutefois des espaces d'expérimentation et d'apprentissage. Les modèles d'entreprise sociale s'insèrent dans les communautés linguistiques et territoriales pour lesquelles elles se créent et opèrent. Toutefois, même au sein d'une région, il peut exister certaines différences. Par exemple, au Québec, le concept d'entreprise sociale n'est pas dominant puisqu'il existe déjà un

concept plus englobant, celui d'économie sociale. Celui-ci résulte d'une forte concertation entre les acteurs, notamment ceux du Chantier de l'économie sociale et du Conseil québécois de la coopération et de la mutualité mais aussi des syndicats et des mouvements sociaux, et il jouit d'une forte reconnaissance publique. Le terme « *social enterprise* » est toutefois employé par une partie de la communauté anglophone, et certaines fondations privées et d'autres acteurs (par exemple, l'Institut du Nouveau Monde) mettent l'accent sur la notion d'entrepreneuriat social, valorisant l'innovation et le parcours des porteurs de projets à forts impacts sociaux. Il est donc de mise de suivre le développement de cette réalité, qui pourrait devenir significative au regard du portrait plus global des entreprises sociales.

COMPRENDRE LE DÉVELOPPEMENT DES ENTREPRISES SOCIALES AU CANADA

L'un des constats qui ressort des articles de ce numéro est que, tant sur le plan conceptuel que sur celui de la pratique, la notion d'entreprise sociale ne fait pas l'unanimité au Canada. Il est possible d'examiner son développement en se penchant sur les dimensions historique, contextuelle et conceptuelle de cette controverse.

Aspects historiques

L'une des difficultés d'utilisation du concept d'entreprise sociale dans le contexte canadien est que, d'un point de vue historique, ce terme n'a que très peu été employé pour décrire les pratiques existantes. Toutefois, de telles pratiques existent bel et bien, et depuis fort longtemps, avant l'apparition du concept d'entreprise sociale. Par exemple, mentionnons les coopératives, les mutuelles et les organismes sans but lucratif, des réalités que plusieurs concepts ont pu cerner suivant différentes perspectives (par exemple, le développement économique communautaire, le tiers secteur, l'économie sociale), sans amener dans tous les cas un même niveau de sensibilisation publique ou d'amélioration du cadre législatif.

Ainsi, les praticiens se retrouvent face à un concept qui n'est pas le leur, et qui tend à leur être imposé par le grand public et les décideurs publics, à tout le moins hors Québec. Surtout, cette notion tend à être employée un peu partout au Canada par le milieu des affaires, de la philanthropie et des écoles de gestion, de même que par les entrepreneurs eux-mêmes, ce qui pose la question dans une toute autre perspective. Les différents contextes culturels dans lesquels se développent les entreprises sociales au Canada relèvent de réalités historiques contrastées. Les collectivités autochtones, francophones et anglophones ont connu des réalités religieuses, coloniales et politiques très différentes, que ne peuvent effacer de nouvelles définitions universitaires ou des priorités gouvernementales.

Aspects contextuels

Il est utile d'examiner les forces sociales, politiques et économiques qui caractérisent le contexte plus large dans lequel émerge le concept d'entreprise sociale au Canada. Les groupes culturels/régionaux identifiés ci-dessus sont aussi influencés par des facteurs exogènes qui ont eu un impact sur l'emploi du terme et le développement des entreprises sociales au Canada, par le jeu des comparaisons et des échanges mutuels. Ces influences proviennent des États-Unis, du Royaume-Uni, de l'Europe continentale, de l'histoire autochtone, des pratiques contemporaines et des communautés immigrantes. Il faut noter que ces influences ne sont pas homogènes, mais il est utile de les reconnaître même si elles sont parfois contradictoires.

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Premièrement, il y a une influence importante provenant des États-Unis où l'on met l'accent sur l'entrepreneuriat et l'autonomie financière, une influence particulièrement présente dans le Canada anglais, mais également au Québec, où apparaît la certification B Corp (« bénéfice corporation ») pour des sociétés qui souhaitent générer des bénéfices pour leurs actionnaires en même temps que pour la collectivité. Deuxièmement, il y a l'influence du Royaume-Uni, similaire à plusieurs égards à celle des États-Unis, mais qui met l'accent sur le développement de politiques et sur le recul du rôle de l'État providence. Par exemple, l'idée venue du Royaume-Uni de sociétés dédiées à l'intérêt collectif, les *community interest corporations* (CIC), est aussi présente dans la région canadienne des Maritimes. Troisièmement, il y a une influence des modes opératoires solidaires provenant d'Europe continentale, qui mettent l'accent sur les pratiques démocratiques, la propriété collective et le partenariat avec l'État. Ceci est particulièrement présent dans la communauté francophone et celle qui est issue de l'immigration européenne continentale. Quatrièmement, les communautés autochtones ont développé leur propre approche envers les entreprises sociales, dont la conception reste marquée par des conséquences découlant du colonialisme, du racisme et de la marginalisation économique, qu'ils ont subies à divers degrés au fil des ans. Par exemple, notons la nécessité de propriété collective, l'absence de propriété individuelle et les barrières au financement (par exemple, l'impossibilité de présenter un actif en garantie) dans le développement économique communautaire. Cinquièmement, avec une longue tradition d'immigration au Canada, il est important de reconnaître le rôle grandissant et diversifié des communautés immigrantes, surtout en milieu urbain. Certaines d'entre elles y vivent des situations difficiles et parfois hostiles, appelant à des solutions innovantes. L'expérience antérieure dans leurs pays d'origine permet à ces groupes d'importer des pratiques venant d'ailleurs.

Aspect conceptuels

Compte tenu de cette diversité historique, culturelle et régionale et des différentes influences qui se font sentir dans le contexte canadien, il n'est pas surprenant de voir poindre des débats et des controverses quant à la conceptualisation des entreprises sociales. L'émergence des entreprises sociales se traduit soit par une conceptualisation déjà amorcée par les mouvements sociaux (par exemple, le Québec et l'économie sociale), soit par l'imposition d'un nouveau concept par des politiques publiques (par exemple, les politiques récentes de l'Ontario et du Manitoba) ou soit par un engouement partagé par les acteurs et les politiques publiques (par exemple, le déploiement de l'entreprise sociale dans les provinces de l'Ouest canadien ou l'adoption de nouveaux statuts d'entreprise dans les Maritimes). Il faut aussi noter le détournement du sens de l'entreprise sociale par des entreprises à but lucratif, pour lesquelles cette marque distinctive permet de se donner un nouveau vernis social. Ces débats créent un climat de confusion dans la sphère publique sur ce qui constitue une entreprise sociale et ils continueront probablement d'avoir un impact sur son développement dans l'avenir. La forme que devrait ou pourrait prendre une entreprise sociale ne fait donc pas consensus à l'échelle nationale. Il faut aussi se demander si un tel consensus est possible ou même souhaitable.

Toutefois, malgré ce flou et ces tensions, il est indéniable qu'il y a une présence dans la réalité canadienne de nombreuses entreprises qui innovent socialement. Il est aussi indéniable que ce concept est présent dans plusieurs régions et qu'il a même été formalisé dans quelques législations provinciales. Dans les pratiques quotidiennes des entreprises, les innovations sociales deviennent de plus en plus un sujet d'intérêt pour les universitaires, les membres de la société civile et les décideurs publics. Certaines de ces pratiques sont soulignées dans les articles de ce numéro de la revue.

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Il faut aussi noter le contexte idéologique au Canada, qui s'ajoute aux influences entourant le développement des entreprises sociales. Notons quatre aspects de l'idéologie dominante actuelle : premièrement, le recours croissant à des politiques néolibérales comme stratégie économique privilégiée; deuxièmement, un discours d'austérité à l'appui d'une réduction du rôle de l'État et des dépenses publiques; troisièmement, la décentralisation vers les provinces et les villes de responsabilités publiques à l'égard des services sociaux, et le recours à des partenariats publics-privés dans le mode de livraison des services; quatrièmement, le retrait généralisé de l'État providence et la propagande concernant la prétendue plus grande efficacité du secteur privé par rapport au secteur public et le besoin d'autosuffisance financière des collectivités. Cette idéologie est propice à entretenir une certaine ambiguïté quant au rôle que sont appelées à jouer les entreprises sociales dans le contexte actuel.

PERSPECTIVES RÉGIONALES ET CULTURELLES DE L'ENTREPRISE SOCIALE AU Canada

En dépit des variations conceptuelles de l'entreprise sociale au Canada, les auteurs de ce numéro spécial ont identifiés cinq groupes culturels/régionaux pour organiser l'analyse, soit : les Maritimes, le Québec, l'Ontario, l'Ouest canadien, et les communautés autochtones.

L'article portant sur les Maritimes est rédigé par Doug Lionais. Les provinces canadiennes de l'Atlantique présentent une expérience unique relativement aux entreprises sociales. L'isolement géographique et l'existence de certains problèmes économiques et sociaux particuliers composent un terrain fertile pour le développement économique communautaire, y compris les entreprises sociales. Par exemple, pensons seulement au mouvement Antigonish qui a mené à la création de nombreuses coopératives. Il existe aussi des mécanismes de financement (CEDIF et COMFIT) uniques au Canada. La Nouvelle-Écosse est le chef de file à cet égard. Il existe dans les Maritimes une diversité d'approches qui mettent l'accent sur la gouvernance participative. Il faudra surveiller l'intérêt grandissant pour les entreprises sociales dans cette région et l'impact qu'auront certaines politiques publiques récentes sur leur développement.

L'article portant sur le Québec est rédigé par Marie J. Bouchard, Paulo Cruz Filho et Tassadit Zerdani. Le Québec présente un cas particulier au Canada, autant sur le plan de la langue, puisque le français y est dominant, que de la terminologie utilisée. Le concept plus englobant d'économie sociale est davantage mis en valeur, en raison notamment du large consensus social et de la forte reconnaissance publique dont il fait l'objet. Adoptée en 2013, la loi cadre portant sur l'économie sociale est une avancée majeure au Canada sur le plan législatif. Les coopératives ont une longue présence au Québec (par exemple, le Mouvement des caisses Desjardins) et représente l'une des formes juridiques privilégiées dans cette conception, en plus des sociétés mutuelles et des organisations sans but lucratif qui s'engagent dans la production et la vente de biens et services. L'accent est mis sur la gouvernance démocratique et participative, sur la propriété collective et sur la distribution limitée des excédents financiers. Le terme d'entreprise sociale est peu utilisé, mais celui d'entrepreneur social émerge graduellement.

L'article portant sur l'Ontario est rédigé par François Brouard, J.J. McMurtry et Marcelo Vieta. L'Ontario représente actuellement le pôle économique et démographique le plus important du Canada. La dimension géographique joue un rôle dans le développement, avec Toronto au premier plan et les autres zones urbaines et rurales en arrière-plan. Plusieurs initiatives valorisant l'entreprise sociale sont basées à Toronto (par

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exemple, celles autour du *MaRS Discovery District*), mais il en existe aussi en région ontarienne. Plusieurs institutions de recherche et réseaux ontariens s'intéressent au concept, en plus de l'organisme subventionnaire Fondation Trillium de l'Ontario. Il y a eu aussi en Ontario des efforts récents en matière de politiques publiques pour appuyer ce domaine émergent. Le terme d'entreprise sociale apparaît graduellement. L'avenir nous dira s'il s'agit d'un phénomène passager ou durable.

L'article portant sur l'Ouest canadien est rédigé par Peter Elson, Peter Hall, Sarah Leeson-Klym, Darcy Penner et Jill Andres. L'Ouest canadien est une région en pleine croissance sur le plan économique et démographique. La Colombie-Britannique est un leader au Canada dans l'utilisation de la notion d'entreprise sociale, avec des organismes d'intérêt et une attention portée par les politiques publiques à ce domaine. Il existe aussi plusieurs initiatives en Alberta pour aider au développement des entreprises sociales, notamment en ce qui a trait au soutien financier. Le Manitoba vient de publier en 2015 sa stratégie relative aux entreprises sociales et il existe certains crédits d'impôt pour financer le développement économique communautaire. Les résultats d'une série de sondages dans plusieurs provinces canadiennes sont également présentés dans cet article.

L'article portant sur l'entreprise sociale dans les communautés autochtones est rédigé par Ushnish Sengupta, Marcelo Vieta et J.J. McMurtry. Le nombre élevé de communautés autochtones (plus de 600) et leur répartition sur l'ensemble du territoire canadien n'en fait pas un groupe des plus homogènes. Cette diversité et la présence d'une population grandement marginalisée représentent un terreau fertile pour la présence d'entreprises sociales appartenant aux communautés autochtones ou desservant celles-ci. Il est intéressant de noter que le leadership des entreprises sociales présentes dans les communautés autochtones est assumé majoritairement par des femmes. Le lien que les communautés autochtones établissent avec la terre en plus des relations qu'elles entretiennent avec les divers paliers de gouvernement contribueront certainement au développement des entreprises sociales dans ces communautés.

CONCLUSION

Sur les plans historique, culturel et conceptuel, diverses influences agissent—certes de manière variable—dans les différentes parties du Canada, contribuant au développement des entreprises sociales et à la diffusion du concept. Les cinq principaux modèles d'entreprise sociale retrouvés dans la pratique au Canada sont : les coopératives, les organismes sans but lucratif, les organismes de développement communautaire, les entreprises autochtones et les entreprises avec une mission sociale. La principale nouveauté au Canada concerne l'emploi relativement récent du terme « entreprise sociale » et l'accent mis au cours des dernières années par certains acteurs publics et privés à employer ce terme, au détriment des termes employés par ces entreprises elles-mêmes pour désigner ce qu'elles sont et ce qu'elles font. La controverse, outre les différences culturelles qui enrichissent le contexte canadien, provient surtout du contexte idéologique néolibéral dominant, qui pourrait sous-tendre une vision de l'entreprise sociale favorisant un délestage des responsabilités collectives en matière de développement social dans la sphère individuelle, privée et marchande de l'entrepreneuriat. Une autre vision de l'entreprise sociale se dégage du portrait canadien, celui d'entreprises qui sont tournées vers leurs communautés, et qui se mettent à leur service. La controverse concernant leur dénomination, aussi chargée puisse-t-elle paraître, échappe probablement encore en grande partie aux principaux protagonistes de cette histoire en train de s'écrire, les entreprises sociales canadiennes elles-mêmes.

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Les lecteurs sont invités à poursuivre la lecture des différents articles de ce numéro. Ces articles devraient contribuer à alimenter la conversation au sujet des entreprises sociales au Canada et à enrichir les comparaisons internationales dans le cadre du projet ICSEM. Il s'agit d'un domaine d'études offrant des occasions excitantes sur le plan de la recherche. Nous espérons que celui-ci intéressera nos lecteurs.

NOTES

1. Nous remercions Marie J. Bouchard pour la révision de ce texte et pour ses judicieuses suggestions.
2. Les lecteurs intéressés par une présentation plus complète de la perspective nationale canadienne peuvent se référer à un rapport canadien (McMurtry, Brouard, Elson, Hall, Lionais, et Vieta, 2015) et à un rapport québécois (Bouchard, Cruz Filho, et Zerdani, 2015), inclus dans la série des documents de travail du projet ICSEM.

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Social Enterprise in Atlantic Canada

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ABSTRACT

This article explores the history and experience of social enterprise within Atlantic Canada. As part of the International Comparative Social Enterprise Models (ICSEM) research project, this article aims to describe the unique historical, contextual, and conceptual approaches to social enterprise in Atlantic Canada. Four case studies are provided to illustrate the diversity of social enterprise in the region. The article argues that the historical roots of social enterprise in Atlantic Canada can be found within the Antigonish Movement, and that the founding political economic vision of that movement can inform a progressive and transformative approach to social enterprise in the region.

RÉSUMÉ

Cet article explore l'histoire et la pratique de l'entreprise sociale dans les provinces de l'Atlantique. Écrit dans le cadre du projet ICSEM (« International Comparative Social Enterprise Models »), cet article a pour but de décrire les approches historiques, contextuelles et conceptuelles envers les entreprises sociales propres aux provinces de l'Atlantique. Il présente quatre études de cas afin d'illustrer la diversité des entreprises sociales de la région. L'article soutient que les racines historiques de l'entreprise sociale dans les provinces de l'Atlantique remontent jusqu'au Mouvement d'Antigonish, et que la vision politico-économique fondatrice de ce Mouvement pourrait sous-tendre une approche envers les entreprises sociales de la région qui soit progressiste et transformatrice.

KEYWORDS / MOTS CLÉS : Social enterprise; Atlantic Canada; Antigonish movement; ICSEM /
Entreprise sociale; Provinces de l'Atlantique; Mouvement d'Antigonish; ICSEM

INTRODUCTION

The purpose of this article is to review the experience of social enterprise in the Atlantic Provinces. The article finds that there is not yet a strong conceptual attachment to social enterprise in Atlantic Canada. There are, however, a variety of approaches to social enterprise that we can observe in the region. The article will first look at the historical, contextual, and conceptual understanding and rooting of social enterprise in Atlantic Canada. Second, the article examines four illustrative cases—one from each Atlantic province—that demonstrate the diversity of social enterprise in Atlantic Canada. Third, I review the institutional supports (legislation, policy, and associations) for social enterprise in Atlantic Canada. Finally, I provide some comments on the present state of social enterprise in the region.

HISTORICAL OVERVIEW

For at least the last half century, Atlantic Canada has faced serious and persistent economic and social challenges. Donald Savoie (2006) argues that the Maritimes have been an underperforming region in Canada going back to confederation. Social enterprises often emerge in such geographies—where the market and the state have failed to provide adequate responses to social, economic, and environmental challenges (Amin, Cameron, & Hudson, 2002; Hudson, 2011). It, therefore, should not be surprising that the history of social enterprise, which is broadly defined as a business operating for a social purpose, in Atlantic Canada is quite rich.

An organized economic movement around social enterprise in Atlantic Canada started in the 1920s with the Antigonish Movement (Dodaro & Pluta, 2012). The Atlantic Provinces, at that time, had seen a reversal in their fortunes. Whereas in the nineteenth century, especially pre-confederation, the Maritime Provinces had been some of the most developed of the colonies, the twentieth century brought on decline. Important financial institutions moved offices to Ontario or Québec; other important industrial sectors were subject to the desires of absentee owners; labour unrest was common; and traditional maritime industries (shipbuilding, forestry, shipping trade) were rapidly declining. The economic hardships felt by the region fomented distrust and anger toward industrial capitalism and opened up the possibility for an alternative socioeconomic system. The Antigonish Movement was able to address this desire for a different approach.

Led by Moses Coady and Jimmy Tompkins, the Antigonish Movement established numerous cooperatives and credit unions across Atlantic Canada (and further afield). Based on ideas borrowed from Robert Owen and other utopian socialists as well as Catholic social thought, the Antigonish Movement advocated for cooperatives as the outcome of an adult learning process. Critically, Coady and Tompkins argued that people had the potential, and the responsibility, to take control of the economic resources of the region; they had the power to become, in Coady's (1939) words, "masters of their own destiny."

Coady and Tompkins employed an integrated program of development. The first step was educational; it involved the rollout of informational sources via pamphlets, bulletins, and circulating libraries, as well as leadership training. The cornerstones of the educational process were mass public meetings. The mass public meetings would then lead to the creation of smaller study clubs. The study clubs would then organize to create cooperative economic institutions (Dodaro & Pluta, 2012).

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The Antigonish Movement went through a rapid expansion in the 1930s radiating out from its home in Eastern Nova Scotia to all of the Atlantic Provinces and beyond. Attendance at mass meetings went from 14,856 people at 192 meetings in 1931, to 43,000 people at 470 meetings by 1936. Those meetings resulted in 173 study clubs being established in 1931 going up to 1,300 active study clubs by 1939. By the end of the 1930s the Antigonish Movement contributed to the creation of over 240 cooperative enterprises across Atlantic Canada. Cooperatives spanned several sectors, including fisheries, agriculture, finance (credit unions), housing, and retail (cooperative stores).

Success and momentum brought international recognition but also high expectations. The movement needed to deal with its success and expansion before it had a chance to put down roots (Dodaro & Pluta, 2012). Although it thrived for a few decades, by the 1960s the movement was declining. Cooperative development stagnated and the second generation of leadership pragmatically focused on operational issues and, arguably, lost sight of the transformative vision of the movement. The radical vision of community control over the economy to bring “the full and abundant life to all” (Johnson, 1944, p. 9) was lost.

There are, however, many communities where the legacy of the movement lives on. Regions such as the Acadian communities of Cheticamp in Nova Scotia and the Evangeline Region of Prince Edward Island (see case study below) have maintained a thriving cooperative community and the cooperative sector remains relatively strong across the Atlantic Provinces.

Though the regional problem in Atlantic Canada continued in the postwar boom years, the issue became more acute again in the 1970s as the industries that sustained the economy, such as mining, steel, and pulp and paper, began to close down. At the same time governments (both federal and provincial) began to roll back the welfare state with cuts to social programs coming alongside efforts of deregulation and privatization. Numerous nonprofits were created in order to take care of those marginalized individuals who now found themselves without state support. Many of these organizations that ran on a redistributionist model began to adopt enterprising forms and behaviours in the latter part of the century as a means to secure more diverse and stable funding.

At the same time, a small number of community business corporations emerged across the Atlantic Provinces throughout the 1970s and 1980s. Building on the legacy of the Antigonish Movement, leaders such as Greg MacLeod sought ways of creating community-controlled enterprises but were not as attached to the cooperative form (MacLeod, 1986). Community corporations such as New Dawn Enterprises in Cape Breton (see case below) and the Great Northern Peninsula Development Corporation (GNPDC) in Newfoundland were established to create economic activity for the purpose of community development. These three models (co-ops, nonprofits, and community businesses) constitute the main social enterprise forms currently operating in Atlantic Canada.

More recently, a new form of “social” enterprise has emerged in Atlantic Canada. A spate of enterprises formed for the purpose of reviving local economies have appeared. However, rather than being endogenously driven, community organized and owned, they are characterized by wealthy benefactors and investors, sometimes expatriate community members, pursuing a private vision of community development. Some, such as Zita Cobb’s Shorefast on Fogo Island, NL, use social enterprise organizational forms to achieve social and cultural goals (Shorefast Foundation, n.d.). Others, such as Glynn Williams’s Authentic Seacoast in Guysborough, NS, employ traditional privately held business models (Bruce, 2012; Taber, 2013).

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It is notable that the history of social enterprise activity in Atlantic Canada has often been against the grain of national and provincial policy. Policy approaches to regional problems have historically been top down, focusing on industrial sectors and employing a growth-pole, trickle-down model. Depleted communities outside of urban centres were largely left on their own. By the 1990s, however, the language of community economic development (CED) had penetrated provincial and federal governments. At the government level, CED was read to equate with endogenous, bottom-up approaches to economic development. Conceptual linkages to issues of social justice and alternative economic forms, however, were absent. Policies that followed tended to focus on entrepreneurship and innovation rather than social enterprise. This approach to CED fit well with the neoliberal policies of the time, which saw CED as an opportunity to download responsibility for development to communities themselves.

Within Atlantic Canada, Nova Scotia has been notable for pioneering a number of important tools and policies supportive of social enterprise. There are four particular policies that should be noted in this regard. First, the Community Economic Development Investment Fund (CEDIF) was established in 1999 to provide incentives for investors to place their money with local firms that qualify with the policy. While not specifically targeted toward social enterprise, many organizations have made use of this important financing mechanism. The CEDIF policy has been replicated in PEI (2012) and New Brunswick has similar legislation in process. Second, the CEDIF program was extended to fit into Nova Scotia's Community Feed-In Tariff (COMFIT) program; encouraging CEDIFs to operate in the renewable energy field. Third, in 2012, Nova Scotia created legislation for a community interest company (CIC) form, allowing for the creation of companies with explicit community benefit purposes (Service Nova Scotia, 2012). Finally, Nova Scotia is in the process of introducing social impact bonds, although they are sometimes controversial (Joy & Shields, 2013).

CONTEXTUAL OVERVIEW

The context of social enterprise in Atlantic Canada is characterized by economic and geographic isolation and historical legacies of alternative economic movements. The Atlantic Provinces have long been "have-not" provinces. Even Newfoundland and Labrador's recent elevation to "have" status, boosted by oil and gas developments, has not been felt by all residents. Newfoundland and Labrador still has one of Canada's highest unemployment rates and many residents seek work off island. The Atlantic region has experienced over a half century of chronically high unemployment levels due to prolonged industrial decline and federal politics that favoured central and western regions. Communities that have suffered the loss of traditional industries focus their efforts on *saving the community*. In this context, social enterprises are often viewed as mechanisms for reinvigorating local place-based economies. Economic salvation is connected to concerns for the survival of social and cultural identities linked to place. Further, the historical legacy of the Antigonish Movement informs the current practice of social enterprise. Community control of economic resources remains a central tenet of many Atlantic social enterprises.

CONCEPTUAL OVERVIEW

Atlantic provincial governments have not, despite some historical success, significantly acknowledged social enterprise. Nova Scotia established a Social Enterprise Working Group that produced a discussion paper on social enterprise in Nova Scotia (Nova Scotia Social Enterprise Working Group, 2011). They define social enterprise as "businesses or organizations operated for the purpose of tackling social, economic or environmental challenges" (p. 5). They also include five attributes of social enterprise to develop their definition:

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1) democratic governance and a social mission, 2) profits are reinvested to advance the mission, 3) foster social and economic purposes, employ disadvantaged people, 4) blended (social and financial) return on investment, and 5) support social and economic integration for people confronting challenges. The Nova Scotia definition broadly shares elements of the EMES research network's definition (social mission, economic project, participatory governance) (Defourny & Nyssens, 2012), though it tends to weigh more heavily on provision of social services (via integrating marginalized individuals). Within Nova Scotia policy, the community interest company (CIC) framework adopts a mission-driven business approach. Community interest companies are defined as "businesses whose primary purpose is the common good" (Service Nova Scotia, 2012).

In the New Brunswick context, a similar advisory group, the Advisory Committee on Social Enterprise and Community Investment Funds (SECIF), was struck in 2011 to examine social enterprise. SECIF was set in the context of a larger poverty reduction plan entitled *Overcoming Poverty Together*, which took a systematic approach to poverty. SECIF was one of three committees established to support the overall plan. They too produced a policy paper outlining the development of a social enterprise framework. SECIF describes social enterprise as a "form of business which occupies the space on the spectrum of economic activity between the non-profit sector and the for-profit sector" (Economic and Social Inclusion Corporation, 2012). The document sets out four criteria for social enterprise: 1) selling goods or services in the marketplace; 2) its primary purpose is to create social, environmental, and/or cultural value; 3) it uses a minimum of 51 percent of any profits to enhance programs and/or services to improve communities; and 4) it demonstrates evidence of the above.

Various institutional actors in Atlantic Canada have also defined the concept of social enterprise. The Atlantic Canada Council for Community and Social Enterprise (ACCSE) is an advocacy group (organized as a not-for-profit cooperative) established in 2011. ACCSE defines community and social enterprise as "organizations ... that operate like a business, produce goods and services for the market, but manage operations and direct surpluses in pursuit of social, environmental and cultural goals" (ACCSE, 2014). The nod toward some constraints on surplus distribution in ACCSE's definition also hints at the EMES' institutional approach to social enterprise. The Pond-Deshpande Centre at the University of New Brunswick defines social enterprise as "a business or organization, whether not-for-profit or for-profit, which has a strategic mission/purpose to address community, social, environmental challenges, issues and needs in the interest of the common good" (Pond-Deshpande Centre, 2015).

Interest in social enterprise has stimulated private sector responses as well. Common Good Solutions, in Nova Scotia, is a consulting firm that specializes in social enterprise development. They have partnered with other organizations such as *Enterprising Non-Profits NS*, an affiliate of *Enterprising Non-Profits Canada* (see Elson, Hall, Leeson-Klym, Penner, & Andreas, in this issue). Common Good defines social enterprise as ventures that use revenue generating businesses to make positive change in their communities (Common Good Solutions, 2015).

Other than these examples of a broader perspective, social enterprise in Atlantic Canada operates as a set of independent sectors (cooperatives, nonprofits, etc.). While the cooperative sector tends to be fairly coordinated in each province with provincial cooperative associations advocating for the sector (and organizations specifically serving the Anglophone and Acadian groups in New Brunswick, PEI, and Nova Scotia), the nonprofit sector tends to be more loosely organized (often around common services). Newfoundland and Labrador and Nova Scotia, however, have provincial organizations that represent the sector (Nova Scotia's being quite recently organized).

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As an emerging phenomenon in Atlantic Canada, social enterprises are defined (both in practice and conceptually) in a variety of ways. The legacy of the Antigonish Movement still resonates within some social enterprise. The social purpose of social enterprises that draw on this lineage is often rooted in community economic development and includes elements of democratic governance. Other social enterprises that have emerged in response to the decline of the welfare state focus on integrating marginalized peoples into the economic mainstream. Finally, we see more mainstream forms of enterprise brand themselves (or be branded by others) as social enterprises due to their efforts at local economic revitalization despite private ownership and private appropriation of surpluses. In each case, the concept of social enterprise is layered over preexisting forms and concepts (cooperatives and community business, nonprofits, and mainstream enterprise respectively). As the concept begins to take hold and policies are formed around social enterprise, such as Nova Scotia's CIC legislation, distinct new approaches may emerge.

CASES OF SOCIAL ENTERPRISE IN ATLANTIC CANADA

Four case studies have been selected, one from each province, to demonstrate the practice of social enterprise in Atlantic Canada.

Analytical framework

The framework for these cases builds upon the EMES indicators for social enterprise and Canadian-specific typologies developed by Peter Elson and Peter Hall (2013). The EMES indicators include 1) an economic project (production involving paid work and undertaking risk), 2) a social purpose (limited surplus distribution and initiative organized by a group of people or third sector organizations), and 3) participatory governance (autonomy, stakeholder participation, and decision making not based on capital ownership) (Defourny & Nyssens, 2012). Elson and Hall (2013) employ a combined approach to social enterprise that takes into account both the legal/ownership structure and the social purpose of social enterprise.

The analytical framework also employs a political economic perspective developed by Ash Amin, Angus Cameron, and Ray Hudson (Amin et al., 2002; Hudson, 2011) that evaluates social enterprise in terms of its political relationship to mainstream capitalism. There are three distinct types of social enterprise identified in this classification:

1. Social enterprise as redistribution-welfare system. Supportive of a neoliberal approach, social enterprise redistributes wealth toward those marginalized by the mainstream.
2. Social enterprise as economic alternative. Wealth-creating enterprise based upon an alternate set of values and principles. Can work with the market and does not challenge the status quo.
3. Radical social enterprise. Disruptive enterprises that seek to radically transform the status quo and create a post-capitalist future.

The case studies will be structured as follows:

- A brief typology by legal structure, ownership, and social purpose;
- An overview of the social enterprise's activities and history;
- Business model and independence;
- Participatory governance; and
- Political economic position.

Case: New Dawn Enterprises Limited Sydney, Nova Scotia

Typology

Legal structure: Corporation limited by guarantee

Ownership: Non-shareholding corporation, social property

Purpose: Community development

History

New Dawn (New Dawn Enterprises Limited, 2015) was established in 1976. It is the outcome of several years of experimentation with organizational forms in response to community needs. The social entrepreneur at the heart of this development was Greg MacLeod, a catholic priest, scholar, and social activist. Prior to forming New Dawn Enterprises, MacLeod established a series of precursor community organizations. The antecedent organization to New Dawn was the Cape Breton Association for Cooperative Development, a nonprofit organization that addressed a local housing shortage. As the association developed, it found itself coming up against nonprofit regulations (under the Nova Scotia Societies Act) that barred it from engaging in business activity. MacLeod saw the need to find a new form of organization and established New Dawn Enterprises as a community purpose business.

New Dawn is incorporated as a corporation limited by guarantee (a non-shareholding corporation). As such it is a form of social property operated in trust of the community. In its articles of incorporation, New Dawn included a number of clauses that achieve an outcome similar to the form of a community interest company. For instance it includes clauses that create an asset lock, whereby the benefits of doing business accrue to the community as a whole and not to any individuals associated with the organization. The mission of the organization is to “engage the community to create and support the development of a culture of self-reliance” (New Dawn, 2015). It is operated in trust of its community. New Dawn’s structure prohibits any distribution of surplus to individuals. All surpluses are reinvested in the organization and build the capacity of the organization to meet its social purpose.

New Dawn’s early activities focused mainly on housing and other real estate ventures. For instance, one of the early projects (which was later sold) was to establish a number of dental clinics in the community. In response to a critical lack of dentists, New Dawn built and furnished a number of dental clinics in order to attract new dentists to the area. The project was very successful in filling this need in the community.

New Dawn continues to expand its real estate holdings with a mixture of residential and commercial real estate currently valued at approximately \$12 million. In 2013, New Dawn purchased a former high school and convent that occupies most of a city block. This project, intended to house a mix of social, cultural, and innovative organizations and businesses, is New Dawn’s most ambitious to date. Other novel real estate projects include a partnered project that supports housing for persons suffering from mental illness (the SHIMI project) and a youth access centre for homeless and vulnerable young people (Access 808).

In addition to real estate, New Dawn has an education division offering vocational training programs and a healthcare division that provides home-care services and operates a guest home. New Dawn also has a division focused on community education and engagement. This division employs community development approaches to building community capacity and resilience. The community education and engagement division currently has five main activities: a citizen speaker series; a “films for change” series, a people’s school, a support program for community leaders, and a collective impact community planning initiative. The education and engagement

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division looks at the big picture and New Dawn's role in the community, while the other divisions focus on business operations.

New Dawn has also taken advantage of the Nova Scotia CEDIF program. Its CEDIF offerings, which have operated for about ten years, have been some of the most successful in the province. As a non-shareholding corporation, New Dawn had to establish a separate organization (now three separate organizations) to run the CEDIFs. Its first CEDIF—New Dawn Holdings (incorporated in 2003)—raised funds that were loaned to New Dawn Enterprises. The more recent CEDIFs—New Dawn Community Investment (2012) and New Dawn Innovation Fund (2013)—have been established as tools to invest in locally owned businesses rather than into New Dawn directly. Over the last 10 years New Dawn has raised close to \$10 million in CEDIF investments and has paid close to \$1 million in dividends to local investors.

New Dawn operates on a budget of approximately \$7 million dollars and employs over 175 people.

Business model and financial independence

New Dawn is primarily self-financed through the sales of its goods and services. While in some cases the government is a client (e.g., housing individuals for the department of community services), the organization does not receive any core funding from public or philanthropic giving.

Participatory governance

A volunteer board of directors governs New Dawn. The directors operate on a one-vote-per-person system and are elected from the membership. The membership, however, is limited, with only a few members who are not directors (past directors often remain as members). In practice, the board nominates and elects new board members from the community. There are no dedicated seats on the board for clients of the various services of New Dawn. Given this governance structure, New Dawn falls short of the participatory governance dimension of the EMES framework in that stakeholders are not involved in the decision-making.

Political economic position

New Dawn fits into the alternative wealth creation approach to the social economy. Although we can witness examples of the redistributionist approach and (to a lesser extent) the radical approach, New Dawn mainly operates as an enterprise operating for the social good but generally accepting the mainstream economy.

Case: Saint John Community Loan Fund Saint John, New Brunswick

Typology

Legal structure: Nonprofit corporation with charitable status

Ownership: Community

Purpose: Poverty reduction and labour market re-insertion

History

The Saint John Community Loan Fund (SJCLF) (Saint John Community Loan Fund, 2015) was established in 1999 in response to high levels of poverty in Saint John. The Urban Core Network proposed the idea for the fund: a nonprofit organization focused on poverty reduction. Community credit was seen as a mechanism that could help people living in poverty start their own businesses or re-engage with the labour market. The SJCLF

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mission is “to improve social conditions, promote economic independence, and foster entrepreneurship in our community” (Canadian CED Network, 2005).

Loans are made to individuals for business start up, employment, or shelter (e.g., rental down payments). The organization also provides literacy training and leadership training. The capital pool for loans comes in from community investors and donations (as a means to mitigate risk against losses). Over the last 15 years, the loan fund has made approximately 230 loans totalling over \$369,000. The average loan size is quite small, at just over \$1,600 per loan. The SJCLF claims this has saved the provincial government over \$500,000 in social assistance payments. As a nonprofit, the SJCLF operates for the public benefit. It has accumulated an equity balance of \$165,345 as of 2013. SJCLF operates on a yearly budget of approximately \$412,000 dollars (2013).

In addition to loans, the SJCLF offers several training programs in developing life skills and financial literacy. Other programs support enterprise development for particular groups (e.g., women and youth). SJCLF programming focuses on community resource mobilization and community ownership. Based on a community economic development model, the SJCLF has increasingly become interested in social enterprise as a mechanism for achieving its mission.

Most recently the SJCLF has begun work on a social enterprise hub that would “foster creativity and entrepreneurship for poverty reduction” (SJCLF, 2015). The hub is intended to combine space for operating social enterprises (a café), incubator space for nascent social enterprises, and training space and offices for like-minded nonprofits. Through its social enterprise hub, the SJCLF is attempting to stimulate more social enterprise activity in its community.

Business model and financial independence

The SJCLF is financed through a variety of revenue streams. The largest source of revenues continues to be government sources, accounting for 45 percent of revenues. This includes contracts for services agreements as well as grants. The remainder is made up of various foundational contributions (philanthropic grants). The margin on loans distributed is not significant, as the interest charged does little more than cover the interest rate paid to investors.

Participatory governance

A volunteer board of directors governs the SJCLF.

Political economic position

The SJCLF fits into the redistributionist category. The purpose of the SJCLF is to help marginalized individuals find their way back into mainstream economic systems through business and employment loans. It is notable, that the SJCLF is now supporting social enterprise and therefore may represent a movement toward more alternative economic approaches.

Case: Evangeline Cooperatives Wellington, Prince Edward Island

Typology

Legal structure: Cooperative

Ownership: Second-tier cooperative

Purpose: Cooperative development

History

The Evangeline Region of Prince Edward Island is comprised of the French-speaking Acadian communities Wellington and Abrams Village and their surrounding areas between Bedeque Bay and Egmont Bay, west of Summerside. The current population is approximately 2,500 people (Statistics Canada 2012a, 2012b). Cooperative development in Evangeline began as far back as the 1860s but really took off in the 1930s with the influence of the Antigonish Movement. Through this movement, the Acadians of Evangeline created a number of credit unions, a fisherman's cooperative, a farmers' cooperative, as well as two consumer cooperatives. In 1977 the cooperatives of the region united to form the Conseil de la coopération de l'Île-du-Prince-Édouard. The Conseil was a second-tier cooperative that grouped the region's cooperatives into one functional body. The purposes of the Conseil were to promote cooperative education and development in Francophone PEI, to liaise with other Francophone cooperatives, and to control and coordinate the decision-making in cooperative concerns for Francophone PEI.

In 1999, the Conseil re-organized itself as the Conseil de développement coopératif de l'Île-du-Prince-Édouard (CDC) (Conseil de développement coopératif, 2015) in order to take on a fully provincial mandate, although the majority of the cooperatives involved were still Evangeline based. Since 2010, the CDC has partnered with the Francophone economic development agency in PEI, RDÉE Île-du-Prince-Édouard, which is also based in the Evangeline region. The agreement means that the RDÉE is now in charge of the financial, material, and human resource management of the CDC. The CDC includes 17 member cooperatives representing 8,500 members.

The Evangeline region is known as the world cooperative capital (Wilkinson & Quarter, 1996), with the highest per capita cooperative memberships. In 1996 it was reported that there were 2.5 cooperative memberships per inhabitant (Wilkinson & Quarter, 1996). Due to the 1999 reorganization of the CDC, it is more difficult to accurately calculate the per capita memberships, but the CDC reports that its member cooperatives have over 8,500 memberships, the vast majority of whom live in the Evangeline region (Conseil de développement coopératif, 2015).

The success of the cooperative movement in the Evangeline region has led to "cooperative burnout" in the past, whereby the numerous cooperatives were finding it difficult to keep people on their boards and committees due to competing demands. Partly to deal with this, and partly because of losing their main funding source, the Conseil looked into a number of different options for restructuring. After completing a study in 1995 and visiting the Mondragon cooperatives in Spain, the board of the Conseil recommended a move to a Mondragon-style corporate structure with one board overlooking and administering all of the cooperatives. The member cooperatives rejected this proposal. Subsequently, the organization chose to reorganize as a more provincially mandated organization with more secure funding, as represented by the move to the CDC and the partnership with RDÉE.

Over the past few decades, the CDC has helped build a strong cooperative framework in the region.

Business model and financial independence

The Canadian Cooperative Council and its cooperative memberships fund the CDC. Operational funding from the Canadian Cooperative Council suggests that this organization is not financially independent and therefore does not fit well with the EMES approach to social enterprise. However, the debate regarding moving to a Mondragon-style cooperative corporation in the 1990s suggests there was potential for the Evangeline Cooperatives to organize themselves collectively as a social enterprise at that stage.

Participatory governance

The CDC has a board of directors that represent the member cooperatives. Currently the CDC has one of 13 seats on the board of directors of the RDÉE.

Political economic position

The CDC fits into the alternative wealth creation category.

Case: St. Anthony Basin Resources Incorporated (SABRI) St Anthony, Newfoundland and Labrador

Typology

Legal structure: Non-shareholding corporation

Ownership: Non-shareholding corporation, community property

Purpose: Resource management for community purpose

History

St. Anthony Basin Resources Incorporated (SABRI) (St. Anthony Basin Resources Incorporated, 2015) was established in the Great Northern Peninsula region of Newfoundland and Labrador. The region has a population of approximately 4,500 people. Like many rural communities in Newfoundland and Labrador, St. Anthony and the Great Northern Peninsula region were economically devastated by the cod moratorium in 1992. To compensate for the loss of the cod fishery, many fishers moved into alternative fisheries such as shrimp and crab. In 1997, the Department of Fisheries and Oceans drastically increased the allowable catch of shrimp. While most of the new quota was allocated to private interest (individual harvesters) a special allocation of 3,000 tonnes of additional catch was given to the St. Anthony region of the Great Northern Peninsula. SABRI was organized as a nonprofit social enterprise in order to manage this special allocation for the benefit of the community as a whole. Its mission is to “administer a 3,000 metric tonne allocation of Northern Shrimp on behalf of the communities from Big Brook to Goose Cove, in a manner resulting in expansion of the region’s economic base and improved employment opportunities in harmony with a rural setting and lifestyle” (St. Anthony Basin Resources Incorporated, 2015).

The special allocation was a means for the government to use quota as a mechanism for community economic development rather than simply sectorial (fisheries) development. SABRI initially leased out the rights to the community’s quota with a requirement that the catch be landed and processed in St. Anthony. In the longer term, SABRI sought international partners to manage the catch, eventually attracting a number of partners with the commitment to build an advanced processing plant in St. Anthony with \$12 million in investments.

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All surpluses generated by SABRI are invested back into the community through business expansion opportunities and social and community development. SABRI's business expansion activities are in response to local and international market demand (White & Hall, 2013). For instance, SABRI is investing in a salt fish market due to demands in Iceland and Newfoundland and Labrador. In terms of community development, SABRI undertook an oral history project to capture stories of cultural and historical significance. Additionally, some of SABRI's projects have aspects of both economic expansion and community development. For instance, it started a muscle farming initiative that was intended to be a new economic opportunity, but tight competition has meant the project operates at a loss. SABRI, however, continues to run the venture because of the local employment it generates and the positive impact it has in supplying the local tourism sector (White & Hall, 2013).

SABRI is an example where the EMES definition of social enterprise does not completely fit. In particular, SABRI's development comes from a top-down approach where the federal government created the space for SABRI by allowing the special allocation of quota. It is not an organization that was formed by a group of citizens; rather it was formed as a response to, and under the direction of, government policy. Here we see one of the productive roles of government in creating and supporting place-based social enterprise.

Business model and financial independence

SABRI's primary activity is the management of fishing quota based on the market. The royalties and revenues it earns from its fishing activities are re-invested back into the purpose of the organization. SABRI is financially independent.

Participatory governance

A volunteer board of directors made up of representatives of different organizations and stakeholders in the region governs SABRI. Representation on the board comes from fishers, plant workers, local community development agencies, and members of the local community.

Political economic position

SABRI fits into the alternative wealth creation category.

INSTITUTIONS

Table 1 outlines some of the key pieces of legislation, policy, and associations present in the Atlantic Provinces that impact social enterprise

Table 1 - Key Institutions for Atlantic Canada Social Enterprise

Key legislation and policy	Associational presence
<p>Nova Scotia Co-operative Associations Act Companies Act Societies Act Community Economic Development Funds Community Interest Companies Social Impact Bonds</p>	<p>Nova Scotia Co-operative Council Conseil coopérative acadien de la Nouvelle-Écosse Community Sector Council of Nova Scotia Nova Scotia Social Enterprise Working Group</p>
<p>New Brunswick Co-operative Associations Act of New Brunswick Companies Act (New Brunswick) Community Nonprofit Organizations Secretariat</p>	<p>Co-operative Enterprise Council of New Brunswick Conseil acadien de la coopération (Nouveau-Brunswick)</p>
<p>Prince Edward Island Charities Act Companies Act Co-operative Associations Act Community Development Equity Tax Credit Act/Community Economic Development Business Program</p>	<p>Conseil de développement coopératif de l'Île-du-Prince-Édouard Prince Edward Island Co-operative Council</p>
<p>Newfoundland and Labrador Co-operatives Act Corporations Act Trustee Act</p>	<p>Community Sector Council of Newfoundland and Labrador Newfoundland and Labrador Federation of Co-operatives</p>

Key legislation, policy, and government supports

Like other provinces across Canada, the Atlantic Provinces each have a similar set of legislation that frames the local context for social enterprise. In each province, organizations can form under three specific legal structures: incorporated companies, cooperatives, and nonprofit societies. In addition to these common structures, some provinces have unique forms of legislation and policy that impact social enterprise. Below, I explore both the common legal frameworks and the more unique policies that exist.

Companies Act

The companies/corporations acts of Atlantic Provinces allow for the creation of conventional share-ownership corporations. While social enterprise can take advantage of this aspect of incorporation, many organizations use a nonprofit form of corporation for the social economy. In Nova Scotia, nonprofit corporations are found in the portion of the Companies Act called a company limited by guarantee. Companies limited by guarantee are formed by members whose liability is limited to a specified amount (usually fairly nominal), which is to be used

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to cover the debts of the organization upon winding up of the company. Companies limited by guarantee may or may not have shares. Companies limited by guarantee must include a set of articles of incorporation with their registration. It is within these articles that companies limited by guarantee can often institutionalize their social purpose. The companies (corporations) acts of the other Atlantic Provinces similarly allow for nonprofit corporations. In Newfoundland and Labrador, nonprofit corporations use articles of association to establish themselves within the Corporations Act. In PEI and New Brunswick, nonprofit corporations are incorporated via letters patent.

Co-operatives Act

The provincial cooperatives acts in Atlantic Canada provide a legal framework for organizations that are owned by and provide service to their members. Democratic equality of members and proportional distribution of surplus are enshrined within the act. In Nova Scotia, organizations can be limited by shares or, similar to a company limited by guarantee, limited by membership. A cooperative limited by membership is commonly called a nonprofit cooperative. Nonprofit cooperatives are typically more limited in accessing financial capital, as they cannot raise capital through selling shares to members. The cooperative acts of the other Atlantic Provinces are similar to that of Nova Scotia.

Societies Act

The Societies Act or Charities Act is used to incorporate an organization that has a benevolent or social purpose, but is barred from engaging in trade and business. Societies are barred from having any share capital and issuing dividends to members. The societies/nonprofit/charities acts of the other Atlantic Provinces are broadly similar.

Beyond this common set of legal forms, there are three relatively novel policy supports for social enterprise in Atlantic Canada. Nova Scotia, however, is a leader in supportive social enterprise policy.

First, in 1998, the Nova Scotia government, building on its successful equity tax credit program, established the Community Economic Development Investment Fund (CEDIF) program. The equity tax program offered a 30 percent tax credit to investors who invested in Nova Scotia businesses. The CEDIF policy built on the tax credit (now 35 percent) by pre-approving CEDIF holdings as RRSP eligible and allowing CEDIF firms to solicit investments publicly. Furthermore, a community could establish a CEDIF to raise funds to invest in other businesses. For the investor, CEDIFs offered an attractive incentive to invest locally. A CEDIF investment receives a 35 percent provincial tax credit and must be held for five years. A further 20 percent tax credit is available if investors roll their investment over for a subsequent five-year period and another ten percent credit is available for a third five-year period. RRSP eligibility also provides an incentive to the investor. Finally, while most CEDIFs do not expect that value of shares to rise, some pay a dividend. The New Dawn CEDIFs (New Dawn manages three related CEDIF funds, which are profiled below) for instance, has paid out dividends ranging from 3 percent to 4.3 percent over the past ten years. While the CEDIF program was not specifically designed with social enterprise in mind, it has become a common tool for raising finances for many shareholding social enterprises in Nova Scotia.

The Government of PEI has replicated the Nova Scotia CEDIF program through the Community Development Equity Tax Credit Act, which it administers under its Community Economic Development Business (CEDB) program. Its objective is to “facilitate local investment in Prince Edward Island businesses, with the ultimate aim of stimulating rural community development” (PEI, 2014). PEI, however, places different restrictions on eligible CEDB investments. For instance, in PEI, the program limits investment into small businesses with caps on

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financial resources (maximum \$25 million in assets or revenues) and employment size (maximum 100 full-time employees).

Second, Nova Scotia recently introduced Community Interest Companies (CIC). Legislation was passed in 2012 though final regulations have yet to be introduced. CICs are companies that serve a community purpose, meaning they create benefits for society at large or a segment of society beyond those persons directly related to the company. Community purpose can include providing health, social, environmental, cultural, and educational services but excludes political purposes. The assets of a CIC are considered “locked” into the community they serve; they cannot be sold off upon dissolution but must be transferred to another community purpose entity (such as a charity or other CIC). Where a CIC has shares, there are limits to how much dividends can be paid to shareholders. In order to maintain their CIC status, a company must produce a community interest report each year demonstrating its adherence to the community purpose set out in its memorandum of association. There is no tax advantage to incorporating as a CIC. CICs will be seen as an alternative to charities, as they can raise equity financing and have more flexibility than charities in pursuing their social purpose.

Third, in 2013, Nova Scotia announced that it would be the first Canadian jurisdiction to produce a Social Impact Bond (SIB). SIBs are incentives provided to the private sector or the social economy to address social issues. The private organization must front the costs of the intervention (building homes for homeless people, for instance), and when they have demonstrated success in addressing the issue, the government repays the investment plus a prescribed surplus. SIBs are somewhat controversial as they are often seen as further downloading of government provision and the privatization of social care (Joy & Shields, 2013). However, some social enterprises will likely see SIBs as another unique financing tool. As with CICs, Nova Scotia has not yet set out the regulations for SIBs.

CONCLUSION

Social enterprise in Atlantic Canada is an emerging phenomenon that makes use of a variety of approaches, is rooted to a legacy of community development, and is set in a context of a chronically weak economy. Social enterprise in Atlantic Canada tends to focus on wealth redistribution (in the case of the SJCLF) or wealth creation (New Dawn, SABRI, and the Evangeline Cooperatives). Atlantic social enterprise draws on distinct histories and forms, including cooperatives, nonprofits, and community business. A common theme in Atlantic social enterprise is addressing chronic social-economic issues, such as poverty and unemployment, in particular communities.

From a political economy perspective, the cooperatives of the Antigonish Movement and the community businesses rooted in that history were established with radical, transformative ideals. However, in practice, most have evolved into alternative, principle-based, wealth creating enterprise rather than transformational enterprises. While economic depletion can open the potential for radically alternative economic approaches, in practice, the enterprises have to exist in the harsh context of a chronically weak market economy. These historical roots in a radical alternative contrast with a practice of alternative wealth creation and institutional (government) approaches to social enterprise that are based on redistribution.

Historically the examples of social enterprise have existed under different terminologies (cooperatives, nonprofits, community business, etc.). This raises the question of what the language of social enterprise adds to

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these pre-existing forms. For whom does social enterprise, as a concept, work? A redistributionist approach to social enterprise works well for cash-strapped governments looking to sell the downloading of social services to communities. However, there are alternative approaches.

If it is to be an effective practice for change, the term needs to wrestle with its political dimensions where the social purpose falls in the public sphere (see Hillenkamp & Laville, 2014). Re-engaging with the political aspect of social enterprise, in the Atlantic Canada context, raises the possibility of reviving the roots of the Antigonish Movement, which are linked to a vision of fundamental and transformational change for a region that has, more often than not, suffered from the impacts of global capitalism.

Social enterprise, conceptually and in practice, continues to gain ground in the Atlantic Region. New policies in support of social enterprise have been established in Nova Scotia. However, we have yet to see what fruit those policies may bear and what direction social enterprise may take.

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Social Enterprise in Québec: Understanding Their “Institutional Footprint”

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ABSTRACT

This article explores how the social enterprise concept is used in Québec. Focusing on the historical, institutional, and current conceptual understanding of the social economy in Québec, it explores the related definitions, terminology, and typologies currently in use. The term “social enterprise” is near absent in Québec, mainly due to the highly recognized notion of social economy. However, not all Québec enterprises that pursue social goals fit into the social economy institutional definition. This article proposes a conceptual framework for understanding the modalities of Québec’s field of social economy and other social purpose enterprises. It suggests that “social enterprises” in Québec are those that participate in the social purposes of the social economy without sharing the core and institutionalized characteristics of social economy enterprises.

RÉSUMÉ

Cet article explore l’usage du terme « entreprise sociale » au Québec. Se basant sur des aspects historiques, institutionnels et conceptuels, l’article explore les définitions et les typologies qui ont cours aujourd’hui. L’expression « entreprise sociale » est rarement mentionnée, dû à la forte reconnaissance de l’économie sociale. Toutefois, il existe des entreprises au Québec qui, tout en poursuivant des objectifs sociaux, ne correspondent pas à la définition institutionnelle de l’économie sociale. La principale contribution de cet article est de proposer un cadre conceptuel pour comprendre le champ de l’économie sociale et des autres entreprises à finalité sociale. Il suggère que les « entreprises sociales » sont celles qui participent aux objectifs sociaux de l’économie sociale mais qui n’en ont pas les caractéristiques institutionnelles.

KEYWORDS / MOTS CLÉS : Social enterprise; Social economy; Conceptual framework; Québec / Entreprise sociale; Économie sociale; Cadre conceptuel, Québec

INTRODUCTION

As part of the International Comparative Social Enterprise Models (ICSEM) research project led by researchers of the EMES International Research Network, this article explores how the social enterprise concept is used at present in Québec. The widespread concept in Québec is that of the social economy. Its definition, today institutionalized in a specific legislation, refers to the production of goods and services by nonprofit associations, mutual societies, and cooperatives, and by a set of guiding principles these organizations should follow. Focusing on the historical, institutional, and current conceptual understanding of the social economy in Québec, the article explores the related definitions, terminology, and typologies in usage at the present time.

The term “social enterprise” is near absent in Québec, mainly due to the highly recognized notion of social economy. However, not all of Québec enterprises related to the social economy fit into the social economy institutional definition. Should these be named “social enterprises?” We explore this question by comparing the notion of social enterprise, as defined by EMES, to the Québec notion of social economy, and by examining more closely the characteristics of enterprises that pursue social goals in Québec.

Following the ICSEM project’s guidelines, this article is comprised of three sections. The first section presents the main historical, contextual, and conceptual features of social economy and social enterprises in Québec. The second section proposes a framework for classifying Québec’s social economy and related enterprises in three main categories. Finally, the third section describes these three categories, presenting some exemplary cases that illustrate the main characteristics of each.

HISTORICAL, CONTEXTUAL, AND CONCEPTUAL ANALYSIS OF SOCIAL ECONOMY AND SOCIAL ENTERPRISES IN QUÉBEC

Historical analysis of social economy in Québec

In Québec, the widespread concept referring to so-called social enterprise is the social economy concept. Québec’s social economy has a long history that began in the nineteenth century and developed into five major periods and configurations (Lévesque, 2013). The first configuration corresponds to an urban solidarity economy, which manifested in the nineteenth century with the emergence of autonomous, self-managed, and non-market socioeconomic initiatives in response to the harsh conditions of life and work imposed by the progressive development of industrial and commercial capitalism (Lévesque, 2013). Without significant support from social authorities, such as the church, the state, and traditional elites, these initiatives have reconfigured as mutual societies.

The second configuration dates from the early twentieth century and corresponds to a rural, market-oriented social economy that was sponsored by social elites, the church, and public authorities. This period is characterized by the rise of large mutual societies, agricultural cooperatives, as well as savings and credit cooperatives. The third configuration, ushered in by the economic crisis of 1930, represents the “golden age” of cooperatives and saw the emergence of cooperatives in new areas such as fishing, electricity consumption, and housing. Roughly during this time, namely between 1926 and 1956, the number of nonprofit associations also increased fivefold.

However, the momentum and power of these new cooperative sectors began to wane in the 1950s, slowly giving way to the fourth configuration of the 1960s, 1970s, and 1980s. This

phase was initially characterized by the expansion of more mature cooperatives during the years of the Quiet Revolution (1960–1970), which were marked by strong economic nationalism. Later, following the economic crisis of the early 1980s, it was characterized by the redirection of state support away from cooperatives and toward private companies, which were considered more likely to survive the impending restructuring of the economy. Still, some cooperative initiatives that had manifested a certain independence from their original state support continued to run their operations.

The fifth configuration took shape in the 1990s with the convergence between the social and solidarity economy in the context of a partnership with the state regarding economic as well as social development. Cooperatives, mutual societies, and associations developed initiatives as responses to the economic crisis and the crisis of the welfare state, providing solutions to the very concrete problems of long-term unemployment, social exclusion, new social needs, and social emergencies (Lévesque, 2013).

Following this long process, the social economy concept finally gained institutional recognition in Québec in the mid-1990s (Lévesque, 2013), namely as a result of the 1996 Summit on Economy and Employment. The definition of the social economy that is widely accepted to this day was originally produced by social economy actors (cooperatives, community-based nonprofit associations, community economic development organizations, etc.) within the Social Economy Working Group created by the Québec government, and that led to the constitution—and institutionalization—of the Chantier de l'économie sociale (in French, “chantier” means construction site, building or work under construction). In this definition, the social economy comprises the activities and organizations associated with collective enterprises that aim to serve their members or community, operate independently of government, incorporate democratic decision-making procedures into their by-laws and work processes, uphold the primacy of people and work over capital in the distribution of profits and revenues, and base their operations on the principle of participatory management, empowerment, and individual and collective responsibility. Social economy finance institutions such as the Réseau d'investissement social du Québec (Québec Social Investment Network) and the Caisse d'économie solidaire Desjardins (a particular Desjardins credit union dedicated namely to the social economy), also contributed to putting this definition into practice throughout Québec. More recently in October 2013, the Québec government officially recognized the social economy concept with the adoption of Bill 27, the Social Economy Act. This law is largely based on the social economy definition of 1996, yet provides a more comprehensive framework by legally institutionalizing the social economy field in the province. As stressed in the law, concretely, this framework law ensures recognition of social economy enterprises (cooperatives, mutual societies, and nonprofit organizations of a commercial nature) by all government departments and bodies.

Contextual analysis of social economy in Québec

Québec's social economy is rich and diversified. We focus here on the main contextual elements that directly impact the definition and boundaries of the social economy field. These elements can be understood on the basis of three different types of definitions and typologies: institutional, applied institutional, and analytical.

Institutional definition and typologies

The first level is the institutional definition brought by the Québec government's recognition of the social economy, followed by a legislation that offers a framework for the social economy based on legal status and overall principles. The Social Economy Act defines the social economy enterprise as "an enterprise whose activities consist, *inter alia*, in the commercialization or exchange of goods or services, and which is operated, in accordance with the principles set out in the first paragraph, by a cooperative, a mutual society or an association endowed with legal personality" (Québec, 2013, Chapter I, Article 3, our translation). It also institutes the principles that are to guide these activities, featuring their social purpose, democratic governance, economic viability, and non-distribution or limited distribution of surplus as well as remaining assets in the event of dissolution. Cooperatives, credit unions, mutual societies, and nonprofit organizations are also each ruled by specific Québec legislations. The Cooperatives' Act defines the eight cooperative principles (concordant with the International Cooperative Alliance) and mentions special provisions for certain types of cooperatives: producers, farmers, consumers, housing, students, workers, workers shareholder, and solidarity cooperatives.

The institutional definition of the social economy in Québec does not include private foundations, hospitals, colleges, university, or churches. It also does not include nonprofit organizations that do not follow the guiding principles of the social economy¹ and do not commercialize some of their products or services to clients (including when the client is a government agency or ministry). Thus, the term social economy in Québec covers what in France is called the "social and solidarity-based economy," with the exception of foundations, which are now considered to belong to the social economy in France but not (yet) in Québec (we will develop this matter further on in this article).

Applied-institutional typologies

The second level of typologies is composed of further applied-institutional typologies that are established first by social actors and taken on by public policies and through policy frameworks (such as government programs) that require some form of accreditation (formal public recognition), and are usually based on the nature of the organizations' activities and modes of production. In Québec, this may include work integration enterprises, domestic help social economy enterprises, and daycare centres, which can be incorporated as either nonprofit associations or cooperatives. The term "community economic development" refers to groups that foster local development in both economic and social dimensions—a reality that is also part of the social economy. Another institutional-applied typology is found in Québec's notions of "community action" and "autonomous community action" (ACA), which likewise overlap with the notion of the social economy, although the ACA movement clearly wishes to distinguish itself from the social economy concept in that many of its activities are in no way commercial. Such terminology was established by social actors but has been adopted and institutionalized by public policies, as described earlier.

The government uses the more general terms of "collective entrepreneurship" and "collective enterprises"—as in the Programme d'infrastructure en entrepreneuriat collectif (PIEC)—and the academic world uses them too. Québec practitioners largely accept these terms. For example, the Université du Québec à Montréal (UQAM) post-grad management programs uses the term "social and collective enterprises." This term was chosen based on brainstorming sessions with practitioners coming from various horizons (charitable, non-governmental, community-based, or cooperative organizations), who clearly rejected the term "social enterprise" on the basis that it could introduce confusion about the collective nature of the social economy. McGill University, which recently received a donation to develop this field, likewise opted for the term "social economy" rather than "social enterprise," arguing that "'social economy' is how it is called, here in Québec."²

Analytical typologies

The third level comprises further analytical typologies. Proposed by various researchers, they are based on different attributes or characteristics of the organizations. Benoît Lévesque (2003) proposed a typology based on the nature of the needs (urgent needs or aspirations) and the dominant form of activity (market or non-market), resulting in four groups of social economy organizations. In another of his publications, Lévesque (2002) proposes a typology of forms of entrepreneurship differentiating between three types: capitalist, social, and collective. The main difference between the last two types is the nature of their activities, one being community based and the other collective based. Lévesque (2013) also proposed a typology that categorizes social economy enterprises into three groups according to their objectives, their methods of distribution of surplus, and their governance and representation body. Essentially, this corresponds to cooperatives and mutual societies; nonprofit cooperatives and associations; and unions' funds. According to Lévesque, some charitable foundations could be considered a fourth category; yet, as mentioned above, in Québec charitable foundations are not currently considered part of the social economy. This could change in the near future, as public community-based charitable foundations are increasingly adopting social economy modes of functioning (Fontan, Lévesque, & Charbonneau, 2011; Gazzoli, Jetté, Chamberland, Dumais, & Vaillancourt, 2014).

Focusing on the diversity of organizational forms found in a statistical study of Montréal social economy organizations, Damien Rousselière & Marie J. Bouchard (2011) notice the existence of four transversal models. Each of these models combine, in recurring patterns, different variables that characterize social economy enterprises. These variables concern the hybridization of resources (public/private, market/non-market); the structure of labour (paid/volunteer workers); and the link, or lack thereof, of the social mission to the main economic activity (e.g., housing is both the social mission and the economic activity of cooperative housing organizations, whereas training is the social mission and, for example, woodwork is the economic activity of a work-insertion enterprise). In the data they analyzed, the financing of activities and the type of work were strongly correlated to a particular organizational model. Notwithstanding their legal status (cooperative or nonprofit association), organizations in their study had a high probability of belonging to one of the following patterns of organizational features, or organizational models (Hannan & Freeman, 1989): "volunteer" (10 volunteers or more, low number of wage employees, 50 percent or more of public financing), "professional" (10 or more full-time employees, 10 or more volunteers, 10 or more other employees of other status, 50 percent or more of public financing), "market" (50 percent or more of market revenues, 10 or more full-time employees and 10 or more other employees, low number or absence of volunteers), or "hybrid and emerging" (newly created, low number of wage employees, mixed sources of revenues).

Another typology, proposed by Bouchard, Paulo Cruz Filho, and Martin St-Denis (2011) is based on a substantive definition of the economy (Polanyi, 1944) that allows for the distinction of different types of resources mobilized by social economy organizations (monetary or non-monetary) as well as different mechanisms for allocating these resources. The latter could be market exchange, redistribution, and reciprocity (Laville, 2007; Polanyi, 1944), which are respectively regulated by market price, regulation (law/coercion), and obligation (Enjolras, 2000). Based on this framework, the model classifies social economy enterprises by their dominant source of revenues (public or private) and resource allocation mechanism: a) public/market (e.g., childcare services); b) private/market (e.g., student cooperatives); c) public/non-market (e.g., women's shelters); d) private/non-market (e.g., Amnesty International); e) public/non-monetary (e.g., community recreation centres); or f) private/non-monetary (e.g., local exchange trading systems).

Yvan Comeau, Jacques L. Boucher, Marie-Claire Malo, and Yves Vaillancourt (2001) propose a typology based on the Centre de recherche sur les innovations sociales/Research Centre on Social Innovations (CRISSES) case study framework (Comeau, 1996). This typology crosses the institutional dimensions (power structure, internal

and external statutory rules) and the organizational dimensions (production, resources, and consumption) that constitute the CRISES conceptual framework to arrive at six types of social and solidarity economy enterprises.

As there is no typology concerning the notion of “social enterprise” in Québec’s literature, a more detailed discussion about the “social enterprise” concept in Québec is presented in the next section of this article.

CONCEPTUAL ANALYSIS OF SOCIAL ECONOMY AND SOCIAL ENTERPRISES IN QUÉBEC

The use of the social enterprise concept in Québec

In Québec, the most commonly used term in this field is that of “social economy enterprises” (SEE), sometimes also called “collective enterprises.” It constitutes a unifying and inclusive concept (Lévesque, 2013, p. 35) and is used at institutional, analytical, as well as practitioner levels. Thus, although researchers and social actors might use different terminologies, there is only one recognized institutional definition (Lévesque, 2011). As mentioned above, consensus for the latter began forming in 1996 with the inception of the Québec Social Economy Working Group and has been consolidated since 2013 with the adoption of the Social Economy Act (Québec, 2013).

In Canada, the use of the concepts “social enterprise” and “social entrepreneurship” is relatively recent (Fontan, 2011, p. 43) and varies by province (Mendell, 2010, p. 243). According to Marguerite Mendell (2010, p. 251), despite Canada’s geographical proximity to the United States, “the culture of individualism that underlies social entrepreneurship” in the US model is less present, and this constitutes an important and distinct feature of the social economy in Canada. In Québec, however, the term “social enterprise” is hardly ever used (Mendell, 2010, p. 243)—at least by the French-speaking population. This is because the social economy tradition is rooted in the associative and mutual movements of the nineteenth century (Lévesque, 2013), in addition to having affinities with the Latin and French European social and solidarity economy concepts.

However, some organizations that appear to be participating in the social economy do not fit the institutional definition of social economy enterprises. These are mainly organizations that are not incorporated as a cooperative, association (nonprofit organization), or mutual society but are closely linked to the development of the social economy, (e.g., have development funds for social economy and sustainable development, but are governed with a share-owners structure). Some organizations might have practices that are similar to those of social economy organizations, but do not share all of the institutionalized characteristics (e.g., local exchange trade systems that have no monetary-based commercial activities). Thus, although such organizations are sometimes categorized as social enterprises (Mendell, 2010), they are essentially “hybrids” (Spear, 2011) or “uncertain components” (Desroche, 1983) of the social economy as defined in Québec. We will go into more details about those further on in the article.

We also observe in Québec the penetration of related concepts. Enterprises that embrace “corporate social responsibility” and “sustainable development” objectives are becoming more overt about their distinctiveness. The B Corps certification is an example that takes the form of a label attributed to classic private for-profit corporations.³ The B Corps label certifies enterprises that meet standards of social and environmental performance and accountability and transparency, and vouches for corporate social responsibility. These recent developments have brought the “social entrepreneurship” and “social enterprise” terms into Québec’s discussion about the social economy concept and related definitions. By and large, the terms are starting to emerge within the English-speaking population of Québec, namely in business schools and in large private

foundations (e.g., the McConnell Foundation). However, some actors have also proactively worked for the introduction of these terms into the context of the province, especially in reference to new social and environmental mission-oriented ventures and in organizations based on either collective or individual forms of ownership.

The Institut du Nouveau Monde (INM) and Ashoka Canada are the two main civil organizations working on the promotion of these concepts in Québec. INM is a not-for-profit and non-partisan organization with a mission to encourage civic participation and the renewal of ideas in Québec. In regards to social entrepreneurship, INM has been developing different tools, like scholarships, training programs, and events catering to social entrepreneurs. Moreover, through its program *À go, on change le monde!*, INM also provides opportunities for young entrepreneurs. The vision of this program highlights the term “social enterprise,” in French, as a means to “change the world”: “*Offrir la possibilité aux jeunes qui veulent changer le monde, de créer une entreprise sociale pour le réaliser*” (Institut du Nouveau Monde, 2015). Largely inspired by Ashoka, INM has developed a definition that is “adapted to Québec’s reality” of what constitutes a social entrepreneur. According to INM, social entrepreneurs are people who:

identify issues or social needs; put forward a practical and innovative solution in order to promote change and social innovation; use entrepreneurial principles to create and manage an organization; demonstrate unquestionable ethics; work together and involve the community in the project; share experiences in order to promote the transfer of knowledge; demonstrate exemplary leadership; and implement a project with sustainable social benefits. (Institut du Nouveau Monde, 2015, our translation)

INM concludes that social entrepreneurship is part of the social and solidarity economy movement, the part of it that places projects, citizens, communities, and society at the very heart of the enterprise. For its part, Ashoka is an international network of social entrepreneurs that “strives to shape a global, entrepreneurial, competitive citizen sector: one that allows social entrepreneurs to thrive and enables the world’s citizens to think and act as change makers” (Ashoka Canada, 2015). Over the years, Ashoka has trained more than 2,700 fellows, 36 of whom are Canadian. Of those, 15 are from Québec, which represents nearly half of the Canadian nominations.

Attentive to these conceptual developments, some of the main organizations linked to Québec’s social economy, such as the Chantier de l’économie sociale and the liaison and transfer centre Territoires innovants en économie sociale et solidaire/Innovative Territories in Social and Solidarity Economy (TIESS), have recently expressed their interest in exploring, understanding, and clarifying the definitions as well as the particularities and issues concerning ideas related to “social entrepreneurship” and “social enterprise.” One of the first actions was the creation of a working group by TIESS in mid-December 2014. The purpose of this working group is to review the definitions and issues surrounding the concepts of “social entrepreneurship” and “social enterprise,” and to understand how they are related to the social economy concept in Québec.

Are Québec social economy enterprises, social enterprises in the EMES definition?

The relative absence in Québec of the term “social enterprise” in current institutional, academic, and practitioner usage and debates does not mean, however, that the concept is totally incompatible with that of “social economy enterprises.” They overlap and are related, especially when we refer to the definition of social enterprises as proposed by the EMES Research Network. When comparing the legal definition of the social economy in Québec with the EMES social enterprise definition (see Table 1), it becomes clear that Québec’s social economy enterprises fit most of the EMES social enterprise criteria with some exceptions, the two most notable being:

Table 1: EMES social enterprises and Québec’s social economy

Social enterprises as proposed by EMES	Québec’s legal definition of the social economy	Difference between Québec law and the EMES framework
<p>An economic project</p> <ul style="list-style-type: none"> - A continuous production - Some paid work - An economic risk 	<ul style="list-style-type: none"> - “All the economic activities with a social purpose carried out by enterprises whose activities consist, in particular, in the sale or exchange of goods or services, and which are operated in accordance with the following principles.” - “Aspires to economic viability.” - “Is operated in accordance with the principles set out in the first paragraph, by a cooperative, a mutual society, or an association endowed with legal personality.” 	<ul style="list-style-type: none"> - Québec Act includes all cooperatives and mutuels (of those, EMES would only include solidarity cooperatives). - EMES includes capitalist enterprises (Québec Act does not). - Québec Act includes co-ops and nonprofit associations that offer little or no paid work (EMES only includes organizations with paid work).
<p>A social mission</p> <ul style="list-style-type: none"> - An explicit social aim - Limited profit distribution, reflecting the primacy of social aim - An initiative launched by a group of citizens or third-sector organization(s) 	<ul style="list-style-type: none"> - “The social purpose is a purpose that is not centred on monetary profit, but on service to members or to the community and is characterized, in particular, by an enterprise’s contribution to the well-being of its members or the community and the creation of sustainable high-quality jobs.” - “The purpose of the enterprise is to meet the needs of its members or the community.” - “The rules applicable to the enterprise prohibit the distribution of surplus earnings generated by its activities or provide that surplus earnings be distributed among its members in proportion to the transactions each of the members has carried out within the enterprise.” 	<ul style="list-style-type: none"> - In both, social mission is defined by surplus distribution limitation. - Québec Act also defines social purpose as serving members and community. - EMES also defines social aim as social origins of entrepreneur.
<p>A participatory governance</p> <ul style="list-style-type: none"> - A high degree of autonomy - A participatory nature that involves various parties affected by the activity - A decision-making power not based on capital ownership 	<ul style="list-style-type: none"> - “Is not under the decision-making authority of one or more public bodies.” - “The rules applicable to the enterprise provide for democratic governance by its members.” 	<ul style="list-style-type: none"> - Both are explicit about democratic governance not based on capital ownership. - EMES adds multi-stakeholder participation.

Sources: Defourny & Nyssens (2011) and the Québec Social Economy Act (Québec, 2013) (our translation)

Bouchard, Cruz Filho, & Zerdani (2015)

1. The Québec Social Economy Act includes all cooperatives, mutual societies, and associations running economic activities, whereas the EMES definition is open to other non-social economy legal statuses (namely private for-profit share-owners' companies) but excludes cooperatives and nonprofit organizations aimed exclusively at the mutual interest of their members. It retains only those that serve the general interest and have a multi-stakeholder membership (Defourny & Nyssens, 2006).
2. The Québec Social Economy Act includes organizations offering little or no paid work, such as housing nonprofit cooperatives and associations, which in Québec own large assets (Bouchard & Hudon, 2008) and would be excluded in the EMES definition. However, the Québec Act does mention that social economy enterprises should aspire to economic viability.

One factor that might explain the near absence of the need for a concept of social enterprise is that in Québec, contrary to many European countries, work insertion, domestic help, daycare, and multi-stakeholder organizations already have a legal social economy basis, namely as cooperatives, including solidarity co-ops, and nonprofit associations. Also, the Québec law on cooperatives is very explicit about strict abidance to specified principles, namely democratic governance by members and profit distribution limitation principles. By and large, the terms “social enterprise” and “social entrepreneurship,” when used by the English-speaking community and in the business schools of both the Québec English- and French-speaking communities, refer to nonprofit organizations that commercialize their activities. This basically corresponds to the definition included in the Québec Social Economy Act.

The definition of social enterprise proposed by EMES also includes other legal statuses, such as private capitalist enterprises, if they meet a set of criteria. In Europe, “labels” were in some cases created to formalize the existence these hybrid forms of enterprises, such as the “community interest companies” in the United Kingdom and the Belgian “sociétés à finalité sociale.” As Québec does not have a specific legal status or a label for these kinds of organizations, the latter would, in Québec, be grouped together with other existent and traditional legal statuses of enterprises, including those of social economy enterprises when applicable.

Thus, certain types of enterprises that are recognized as aiming at a social goal are still understudied and have yet to be properly categorized into a typology. Based on this general overview of the social economy and the social enterprise concept in Québec, the next section explores these issues, proposing a framework for classifying social economy enterprises in Québec in relation to the notion of social enterprise.

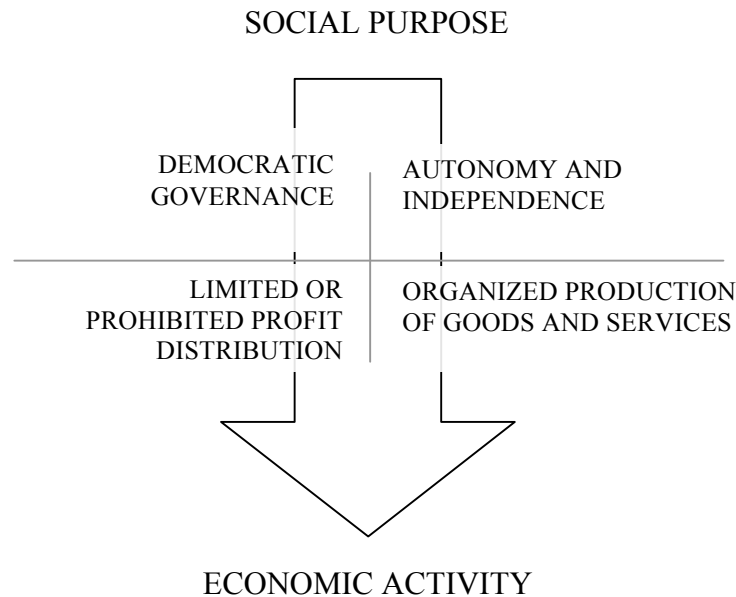
A PROPOSED FRAMEWORK FOR SOCIAL ECONOMY ENTERPRISES IN QUÉBEC

Québec, as was previously discussed, has an established legal framework for social economy enterprises that recognizes three main legal forms: cooperatives, mutual societies, and associations. But there are also organizations that are identified, by themselves or by researchers, as taking part in the Québec social economy, while not sharing its core institutional characteristics. Others still are in fact part of the social economy, as it is institutionally defined, but are named differently, on account of their innovative dynamics or of the language used (English versus French). A social economy framework should provide a broad conceptual basis for understanding the field as a whole.

We propose to refer to the four core distinguishing empirical features of social economy organizations, as identified by the Québec Social Economy Act and summarized by Bouchard, Cyrille Ferraton, and Valérie Michaud (2008) and Bouchard, Cruz Filho & St-Denis (2011): democratic governance; restricted or prohibited distribution of surplus; autonomy and independence from the state; and the organized production of goods or

services that serve mutual or general interest objectives. These characteristics are usually *institutionalized* by rules or bylaws.⁴ Just one feature alone would be insufficient to capture the essence of the social economy, and none of the features has precedence over any other. Instead, it takes a combination of these characteristics to define a social economy enterprise. These features integrate the social purpose of the enterprise into concrete rules of behaviour, and the degree to which they are embedded in legal frameworks gives them stability in the long run. Figure 1 illustrates these features, showing that it is through them that these organizations perform an economic activity to the benefit of its social purpose, and that they likely will perpetuate their social mission over time.

Figure 1: Diagram of social economy enterprises' distinctive features



Source: Bouchard, Cruz Filho, & St-Denis, 2011

In theory, each of these criteria could be found in other legal forms of enterprises, in a more or less institutionalized manner, going from ad hoc behaviours (such as in corporate social responsibility) to internal or external rules that guarantee the perpetuation of the principle over time. In addition, if enterprises were to be considered as social enterprises on the sole account of their purpose (as proposed by authors such as Austin, 2004; Boschee, 1995; Dees, 2001; Drayton & MacDonald, 1993), then the purpose would be a sufficient criterion. That said, one would still need to delve into the different definitions of “social purpose” and the normative meanings they may carry.

The above exploration suggests a framework for analyzing social enterprises as a larger whole. This framework, which is well adapted to the Québec Social Economy Act (Québec, 2013), aims to qualify social enterprises according to how they correspond to organizational features. Organizational features, such as organized economic activity, limited distribution, democratic governance, and autonomy and independence, make it possible to distinguish social economy enterprises from all other types of organizations in the economy (Bouchard, Cruz Filho, & St-Denis, 2011). To include organizations that do not operate with those organizational

Bouchard, Cruz Filho, & Zerdani (2015)

features, purpose features can be considered as a further distinguishing feature. According to the Institut du Nouveau Monde, for example, one such purpose feature could be an innovative entrepreneurial response to social needs that is participatory with the community, is ethical and promotes social change, and leads to sustainable social benefits. Such distinction is also what is sought by applying the labels of “B Corp” as in the US, “social utility” as in France or Belgium, or “social action” as in Spain.

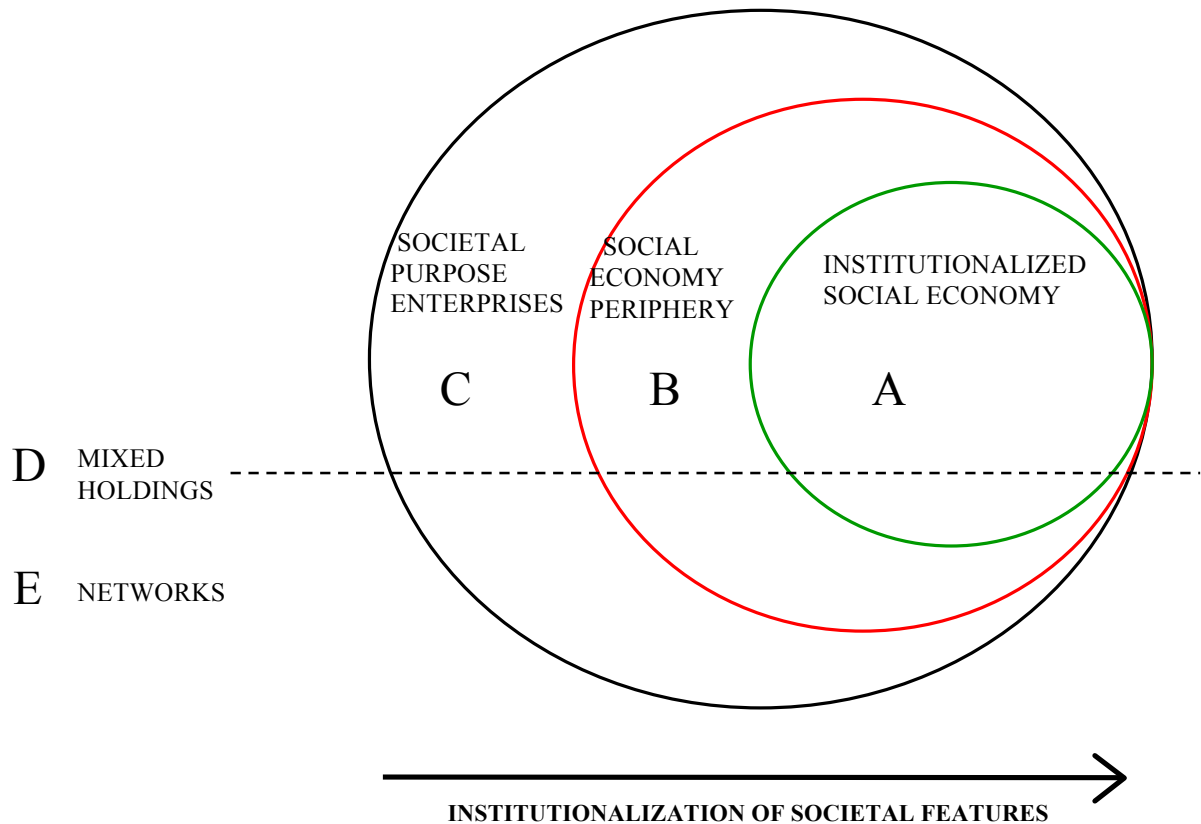
The framework therefore enables to identify three categories in which social enterprises exist, by applying three successive filters (see Figure 2):

- A. Enterprises that are constrained by law or other rules to perpetuate their societal purpose through their social economy organizational features. These are the typical social economy enterprises and comprise the core of the social economy. For these organizations, the social economy principles are strongly institutionalized by the application of rules and laws, and can be reinforced by public policy. Some examples in Québec are social economy childcare centres, domestic help social economy enterprises, work integration enterprises, and solidarity cooperatives.
- B. Enterprises that correspond to organizational features of the social economy, as defined in the Québec Social Economy Act, but do not share the same institutionalized legal statuses as the category A organizations. This corresponds to the inclusive social economy movement or social economy periphery—larger than how the Social Economy Act defines it. This category comprises two kinds of organizations. First, share-holders’ for-profit subsidiaries of typical social economy enterprises, which are borderline cases that can be placed at the frontier of categories B and C, because they can be structured in a for-profit organizational form but be owned by a typical social economy enterprise. Second, peripheral organizations are those that “take part” in the social economy, even if they do not meet *all* the criteria announced.
- C. Economic private entities with a societal purpose that do not necessarily have institutionalized rules that guarantee the perpetuation of their mission or their organizational features (excluding corporate social responsibility).

It is also possible to identify two other cross-sectional categories of social enterprises in such a framework (see Figure 2). The cross-sectional categories (D and E) were identified for clarification purposes and will not be further explored in this report:

- D. Mixed holdings, which comprise a corporation with one or more social enterprises of the three categories described above. An example is Cirque du Soleil, which is a corporate organization that also includes a nonprofit organization dedicated to the diffusion of circus arts (Tohu) and a private foundation aiming at fighting poverty by providing access to water and sanitation in developing countries (One Drop).
- E. Networks of social enterprises that can be also comprised of any of the three or four modalities described above. An example is CAP Finance, which is a network of solidarity finance organizations in Québec. It is composed of a typical institutionalized social enterprise (La Caisse d’économie solidaire Desjardins) and social economic periphery representatives (La Fiducie du Chantier de l’Économie sociale, Filaction, Fondation, Le Fonds de solidarité FTQ, Le Réseau d’investissement social du Québec and Le Réseau québécois du crédit communautaire).

Figure 2: Framework of the social economy enterprises field in Québec



Source: Bouchard, Cruz Filho, & Zerdani (2015)

THREE CATEGORIES TO MAP THE FIELD IN QUÉBEC

This section describes the characteristics of the three categories that help understand social economy versus other types of “social enterprises” in Québec from the proposed framework above. In the following, we will present some exemplary cases in order to illustrate each category.

Institutionalized social economy

The institutionalized social economy category covers social enterprises that are characterized by the typical social economy principles and rules. They represent the core of the main features of typical EMES social enterprises and of Québec’s typical social economy organizations. Some examples in Québec that are close to the EMES definition of a social enterprise are:

- CPEs (centres de la petite enfance/childcare centres) are nonprofit organizations (NPOs) or cooperatives, in which at least two thirds of the board of directors is parents of children who attend or will attend the childcare centre. A CPE offers reduced-contribution places (currently at \$7 a day) to seven or more children, and is largely financed by the state.
- EÉSADs (entreprises d'économie sociale en aide domestique/domestic help social economy enterprises) are NPOs or cooperatives that were created to provide domestic help services to elderly and disabled people who are in the process of losing their autonomy and at the same time legally regularize the jobs in this sector, avoiding unreported employment. EÉSADs have mixed revenues, combining market and non-market sources. The latter are provided by a public policy named Programme d'exonération financière en services à domicile (PEFSAD).
- WISEs (work integration social enterprises) in Québec are NPOs with the main objective of socially and economically integrating disadvantaged and excluded people into the workforce. They also have mixed revenues sources and are supported by a public policy specially created for them. While some cooperatives may also have a work integration mission, they cannot be included in the Québec work insertion government program. They can be, however, recognized by government as "adapted work enterprises" if they employ people with physical or mental disabilities.
- Solidarity cooperatives are multi-stakeholder cooperatives composed of at least two and up to three categories of members: users of the services provided by the cooperative; workers working within the organization; and supporting members. Supporting members can be persons or organizations that share and support the cooperative's mission. This combination allows the emergence of a joint construction of supply and demand. An example is the Coopérative DesÉquilibres, a solidarity cooperative devoted to youth sports and social involvement, which is also mentioned by INM as an "inspiring example" of social entrepreneurship, under its *À go, on change le monde* program.
- The Québec Social Economy Act also covers the more established cooperatives such as the Caisses populaires Desjardins (credit unions), mutual societies such as the Groupe Promutuel in the insurance sector, and nonprofit organizations such as the many housing cooperatives and associations.

Social economy periphery or inclusive social economy movement

Two types of organizations belong to category "B" described above, that is, the social economy periphery or comprehensive movement. The first type is composed of subsidiaries of social economy enterprises, which sometimes have complex structures, including entities under their control, be it partial or full. We define a subsidiary as "a company in which the reporting entity owns a majority (more than 50%) of the voting shares" (Statistics Canada, 2011). The focus is on subsidiaries of social economy enterprises that are not themselves social economy enterprises (individual enterprises, stock corporations, partnership corporations, etc.). Some examples in Québec are Iögo (owned by the agro food cooperative Agropour), Desjardins Capital de risque (owned by Desjardins credit unions), and Auberge L'Autre Jardin (owned by a non-governmental organization, Carrefour Tiers Monde). These subsidiaries can be considered as being part of the social economy if they meet the following criteria (Bouchard, Cruz Filho & St-Denis, 2011):

- The majority control of the subsidiary belongs to the social economy enterprise or a set of social economy enterprises that are direct or indirect (through a holding company)

Bouchard, Cruz Filho, & Zerdani (2015)

shareholders of the subsidiary. When ownership is shared with organizations that are not social economy enterprises, the following indicators can be:

- The majority of board seats are reserved for the social economy enterprise (or a set of social economy enterprises).
- If there is a general meeting, a majority of votes must be given to the social economy enterprise (or the set of social economy enterprises).
- The activity of the subsidiary, in the case of cooperatives or mutual societies, is linked to the activities of the members. In the case of associations, it is linked to the activities of users and recipients of goods or services.
- The profits of the subsidiary that are not reinvested in the activities of the subsidiary are distributed to the controlling social economy enterprise(s), proportionally to the capital held (which may not be less than 50 percent).

The second type is composed of “peripheral organizations” (see Figure 3). The social economy field can be described, at least from a conceptual point of view, as composed of entities that form its “core,” as well as of “peripheral” entities (Desroche, 1983). There is a general consensus that some organizations “take part” in the social economy even if they do not meet *all* the criteria enounced in the Québec Social Economy Act. The Fiducie du Chantier de l'économie sociale (a financial trust dedicated to the social economy), Fondation CSN (a union fund dedicated to job creation and sustainable development), or Centraide du Grand Montréal (a public foundation where volunteers collect and allocate the funds to community based organizations) are examples of this type. In those cases, it suffices that the organizations meet only some of those criteria, namely in accordance with rules, laws, or internal bylaws (Bouchard, 2013).

- Social economy trust funds such as the Fiducie du Chantier perform an activity that may not be considered as a “production” activity, but they do not distribute profits; they have a collective, democratic, and autonomous governance; and they are dedicated to the social economy, therefore producing a collective service and acting as a countervailing power in the market.
- Worker unions’ funds (e.g., Fondation and Fonds de solidarité FTQ) have a share capital ownership structure but operate with a participatory structure. Their investments aim to reinforce the comparative advantages of economic sectors while at the same time maintain and develop employment as well as foster sustainable development. They therefore produce a collective service and act as a countervailing power in the market. Some consider these funds as fully-fledged social economy actors (Lévesque, 2013).
- Community foundations, such as Centraide du Grand Montréal (United Way), have highly participative structures that contribute to the alleviation of poverty in a democratic fashion, therefore producing a collective service or credence good. Volunteers not only participate in fundraising but also in fund allocation. Sometimes such foundations develop a community-based approach in joint ventures with government, such as the participation of Fondation Lucie et André Chagnon in “Québec Avenir d’enfants.”
- Local exchange trading systems (LETS), such as Accorderies, Troc-tes-trucs, and The Swap Team, are mostly or entirely based on non-monetary resources. They produce a service and do not distribute profits. They also have a social mission and a democratic and autonomous governance. They function under the economic principle of gift exchange and reciprocity (Polanyi, 1944).
- Some of yesterday’s community-based private initiatives are today’s government-supported organizations, such as youth employment centres, and remain governed democratically by a board composed of a mixed group of people.

- Some NPOs, such as arts or cultural organizations, are engaged in activities that have a large impact on communities without democratically mobilizing a large number of members.

Figure 3: Illustration of the core and peripheral social economy organizations according to each of the main social economy criteria



Sources: Bouchard, Ferraton, & Michaud (2008); Desroche (1983)

These examples show that the scope of the social economy movement is in fact quite large, and yet precise criteria are nevertheless needed to define it and the organizations that belong to it. In the following, we will explain in detail how social economy criteria can help understand why such organizations are considered as participating in the social economy and, hence, could be considered as “social enterprises.”

Social purpose enterprises

An enlarged view of this perspective would also include for-profit entrepreneurs of social or environmental causes, which do not necessarily have institutionalized rules that ensure the perpetuation of their mission or organizational features. Some are traditional single-ownership for-profit enterprises that get involved in high-profile social or environmental missions. The founders of those enterprises are accordingly referred to as “social entrepreneurs” by the INM. Some of the Ashoka projects are also considered to be social purpose enterprises. These projects must meet five criteria: a new idea, creativity, entrepreneurial quality, ethical fibre, and the social impact of the idea. This last criterion “focuses on the systems change of the candidate’s idea, not the candidate. Ashoka is only interested in ideas that it believes will change the field significantly and that will trigger nationwide impact or, for smaller countries, broader regional change. For example, Ashoka will not support the launch of a new school or clinic unless it is part of a broader strategy to reform the education or health system at the national level and beyond” (Ashoka, 2015). Some examples in Québec are:

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- Communauto (founded in 1994): “Since its founding in 1994, Communauto is seen as a pioneer in America as the oldest and one of the largest car-sharing services on this side of the Atlantic. One of the largest companies of its kind in the world, Communauto is defined primarily as a business with a social and environmental mission. Car-sharing is a cheaper and more flexible alternative than ownership and renting. Our objective is to offer a convenient and economical alternative to car ownership. Communauto thereby contributes to reduce both the number and the use of automobiles” (Communauto, 2015, our translation).
- Lufa Farms (founded in 2009): “In 2011, we built the world’s first commercial rooftop greenhouse. Through innovation and technology, we are striving to change the way cities eat. Our concept is simple: grow food where people live and grow it more sustainably” (Lufa Farms, 2014).
- Takt-etik (founded in 2006): Certified as a B-Corp. “In a world where sustainability and corporate social responsibility are starting to become mainstream business practices and where actions speak louder than words, Takt-etik guides its clients to successfully embark on this process. Takt-etik relies on the expertise of eight advisors that have a combined 25 years of sustainability consulting experience, making it the largest firm of its kind in Québec. Takt-etik also relies on a network of partners to support its clients on specific needs such as water and energy management” (Takt-etik, 2010).
- Invup (founded in 2011): “Invup.com is an online platform helping businesses and schools to manage their volunteer programs and donations” (Forces Avenir, 2011).
- E-180.com is a private company website that encourages people to meet in order to exchange knowledge: “E-180 stems from the hard-held belief that all humans possess the power to develop their full potential autonomously, with a little help from their community. We believe that education is a relationship, not an institution, and that one hour of our time may change another person’s life. Our mission is to promote these values by helping fellow humans share knowledge and connect with each other” (E-180, 2015).

CONCLUSION

The concept of the “social economy enterprise” in Québec shares many of the characteristics of the concept of “social enterprise” adopted by EMES. An important difference is that the EMES definition is an ideal-type proposed for research purposes, whereas the institutionalized definition of the social economy in Québec reflects a broad consensus among social actors in a given institutional context. Another important difference is that the EMES definition covers for-profit share-capital enterprises whereas the Québec definition only includes statutory social economy enterprises. Still, the dynamics that characterize the emergence of the new social economy in Québec offer an interesting perspective for digging into the questions raised by the ICSEM project regarding social enterprise models and their institutionalization.

Because Québec has a highly institutionalized definition of social economy enterprises (e.g., Cooperatives Act, Social Economy Act, Community Action Framework) and of some of their specific fields of activities (daycare, domestic help, work insertion, employment for the disabled, youth employment centres, community economic development corporations, etc.), the use of the term “social enterprise” has been scarce. However, the field of the social economy is a changing one. Certain sectors that have long since been a part of the social economy may no longer feel they fit the new understanding of the social economy (e.g., credit unions, farmers’ cooperatives). Or, some large social economy enterprises may be regarded as part of this field but may not

appreciate that they could be regarded as part of it (e.g., longstanding and previously religious social organizations such the YMCAs). Social actors recognize still others, but who do not meet all the criteria stipulated in the law (e.g., community foundations, workers unions' funds, cooperatives, or NPO-owned shareholders corporations, etc.). Some want to be a part of the social economy but only fit the social or environmental purpose criteria without meeting any of the organizational traits (e.g., Communauto, Lufa Farms). In addition, new hybrids are emerging that have dynamics that combine philanthropy, entrepreneurship, and government aid (e.g., Québec Avenir d'enfants). Hence, the notion of social enterprise might be relevant at some point in order to capture those changing features of the field. But the risks associated with a view of "social enterprises" or "social entrepreneurship" as anything and everything has so far led most of the Québec social economy actors to use the terms of social economy, new social economy, or collective enterprises.

In our view, to develop a framework for a typology of social enterprises in Québec, two steps must be accomplished. The first step is to identify empirical qualifying criteria for organizations that can be considered by the institutional definition in place. In Québec, where a highly institutionalized definition of the social economy is already in place, institutionalization is understood to refer not only to public recognition but also to mutual and societal recognition by the social actors themselves. Our qualification criteria should thus be aligned with this consensual definition. In a second step, using these criteria, the exceptions, borderline cases, and new developments can then be identified and described. For example, the notion of social entrepreneurship, which is slowly gaining currency in Québec, could serve as a starting point for defining commercial ventures that are marketed by their social purpose. Such a qualification framework can serve as the basis for a typology.

The proposed typology for Québec identifies three types of social enterprises. The first category includes only those enterprises recognized by the Québec Social Economy Act, which have institutionalized all the criteria of the social economy. The second category covers all enterprises that are closely linked to the social economy sector, pursue a societal mission, and adopt, in an institutionalized manner (law, rule, bylaw) some features of the social economy as defined in Québec. This includes subsidiaries of institutionalized social economy enterprises, as well as peripheral organizations of the social economy movement. The third type, large and inclusive, covers all enterprises that pursue a societal (social or environmental) mission, notwithstanding their organizational features or modes of production. It is important to note that many social actors and academics in Québec consider the perimeter to be limited to either the social economy periphery or movement or to institutionalized social economy organizations, in other words, to collective or community-based enterprises (as defined in Lévesque, 2002).

Some organizations that are characterized by Québec's social economy principles and rules also represent the core features that describe the typical EMES social enterprise, as they are characterized by institutional and organizational social innovations. It is the case with the domestic help social economy enterprise (EÉSAD, entreprises d'économie sociale d'aide domestique). On the institutional side, the EÉSAD model combines new forms of mobilization by marginalized actors and new modes of financing in order to answer unmet domestic services needs with workers who were excluded from the labour market (Jetté, Aubry, & Vaillancourt, 2006), hence serving general interest goals. Public policy was co-constructed by social actors and public administration, which also represents an institutional innovation. On the organizational side, EÉSADs allow the participation of different kinds of stakeholders, users/clients, and employees in the production and use of domestic services.

One of the main contributions of the typology proposed in this article is the introduction of a new starting point for the development and description of types of social enterprises. Usually, typologies are defined broadly and then gradually narrowed to identify social enterprises. The proposed typology does the reverse, starting at the

heart of social economy and then adding additional layers for identifying other types of social enterprises. We believe that such a methodology could be a first step in the effort to develop typologies that are based primarily on social economy concepts and principles.

As Alex Nicholls (2010) noted, research on social enterprises and social entrepreneurship is still at a pre-paradigmatic stage, and its progression to a post-paradigmatic stage “can be understood as a contested process of legitimization between different actors, discourses and institutional logics” (p. 614). In this article, we have presented the concept of the social economy that is used in Québec as a result of a broad consensus between a wide range of social actors including cooperatives, local development groups, worker unions, community groups, feminist, environmental, rural, and urban social movements, and government. Of late, the concepts of social enterprise and social entrepreneurship are also increasingly in use by actors coming from Anglo-Saxon business schools and from business philanthropy, but not exclusively. Further research should involve digging deeper into the discourse of these sets of actors and examining the institutional logics on which they are based. This would advance our understanding of what is at stake in terms of organizational models, paths of institutionalization, and development paradigms.

NOTES

1. The legal framework in which most nonprofit organizations incorporate in Québec is very loose (Part 3 of the Companies' Act), and many have nothing to do with social economy principles.
2. Professor Steve McGuire, in private conversation with author at the launch of the initiative.
3. See: <http://www.bcorporation.net/community/find-a-b-corp?search=Québec>.
4. A study conducted for Human Resources and Skills Development Canada by Statistics Canada (McDougall, 2007) demonstrated that, out of a probabilistic sample of the Canadian Business Registry, enterprises *other* than cooperatives, nonprofits, or mutual societies that adopted features characteristic of the social economy (as defined in Bouchard et al., 2006, and reiterated in Bouchard, Cruz Filho, & St-Denis, 2011) are *statistically absent*.

ACKNOWLEDGEMENTS

The authors would like to thank Jacques Defourny and Benoît Lévesque as well as the blind reviewers for their insightful comments and suggestions on previous versions of this article.

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Social Enterprise Models in Canada—Ontario

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ABSTRACT

The objective of this article is to examine social enterprises in Ontario, Canada, as part of the “Social Enterprises Models in Canada” research of the International Comparative Social Enterprise Models (ICSEM) Project. The report presents an analysis of the historical, contextual, and conceptual understanding of social enterprises in Ontario. Five cases studies illustrate social enterprise models, and the article then presents the main institutions in Ontario related to social enterprises, describing legal framework, public policies, university institutions, networks, spaces, and funding agencies and programs.

RÉSUMÉ

Dans le cadre du projet Modèles d'entreprises sociales au Canada de l'International Comparative Social Enterprise Models (ICSEM), l'objectif du présent article est d'examiner les entreprises sociales en Ontario, Canada. Le rapport présente une analyse historique, contextuelle et conceptuelle pour comprendre les entreprises sociales en Ontario. Cinq études de cas illustrent les modèles d'entreprises sociales. Les principales institutions liées aux entreprises sociales en Ontario, tel que le cadre législatif, les politiques publiques, les établissements universitaires, les réseaux, les espaces, les organismes de financement et les programmes, sont décrites.

KEYWORDS / MOTS CLÉS : Ontario; Social enterprises; Models / Ontario; Entreprises sociales; Modèles

INTRODUCTION

Located in east-central Canada, Ontario is the most populous province in the country, with a population of more than 13.5 million, i.e., about 38 percent of Canadians. It is the second-largest province by area, covering more than one million square kilometres (Government of Ontario, 2015a, 2015c). The majority of the population resides in Southern Ontario. More than 85 percent of the population lives in urban areas, largely on the shores of the Great Lakes. Canada's most populous city, Toronto, and Ottawa, the nation's capital city, are located in Ontario. English is Ontario's official language and there are several French-speaking communities in the province. Aboriginal peoples make up about 2 percent of the province's population, and more than one-quarter of the province's population was born outside of Canada (Government of Ontario, 2015a, 2015c). Economically, Ontario includes Canada's largest manufacturing sector, Canada's centre of finance and banking (Toronto), and important natural resources, information technology, tourism, and agricultural sectors. Most of the province's exports (79%) and imports (57%) are with the United States, located on its southern borders (Government of Ontario, 2015c).

The objective of this article is to examine social enterprises in Ontario. The article was initially presented as a report for the International Comparative Social Enterprise Models (ICSEM) Project as part of its "Social Enterprises Models in Canada" research stream.¹ The methodologies used in this examination are primarily literature review and case studies. A literature review served to collect extant literature and documentation on social enterprises in Ontario and identified relevant laws and policy reports. Websites and research reports were also used to gather information on the various key social enterprise organizations and initiatives. For case studies, we used many internal and external sources to collect information on the organization's mission and activities, such as websites, interviews, documents (brochures, annual reports, financial statements, etc.), and articles. We also conducted some interviews with executive directors of the organizations.

In the remainder of the article, we first present an analysis of the historical, contextual, and conceptual understanding of social enterprises in Ontario. Second, we present five illustrative case studies of exemplar social enterprise models in the province. Third, we describe the institutions in Ontario that support social enterprises, including the province's legal framework, public policies, university institutions, networks, spaces, and funding agencies and programs.

UNDERSTANDING SOCIAL ENTERPRISE: CONCEPTS AND CONTEXT

In Canada, social enterprise is, as it is around the world, a contested concept. Although theorists have attempted to create frameworks by which we can understand social enterprise in a broader context (i.e., the "third sector" or the "social economy"), these framing attempts have not yet been fully accepted or integrated (Borzaga & Defourny, 2001). Given this contestation, this article discusses the Ontario context of social enterprise within the broader Canadian context and via three guiding frameworks: historical, contextual, and conceptual.

Historical background

In Canada, the province of Ontario has historically played the role of the political and economic "centre," with Toronto, the provincial capital, in turn serving that role in the province. This has meant that traditionally Ontario has taken a "market" approach to economic policy and a "welfare/charity" approach to social service delivery.

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Social enterprises in Ontario have a long history dating back to the nineteenth century, especially in agriculture, with a number of large and well-established producer or marketing co-operatives, but also housing, child care, financial, and consumer co-operatives. This sector has however largely been invisible historically in terms of policy and public awareness, despite its size and presence in the economic fabric of the province.

This context began to change in the 1980s when an environment of neoconservatism dominated the Ontario political landscape, first with the election of Premier Frank Miller and later in the 1990s with the Mike Harris Progressive Conservative government. In this new political context, the twin imperatives of cost-cutting and self-sufficiency in public service became the watchwords of policy. Influences from the international political economy, such as the North American Free Trade Agreement (NAFTA) entering into force in 1994 and public finance policies adopted in the United States and the United Kingdom, have also contributed to the political context within Ontario.

As a result, the broader social economy sector began to look toward social enterprise as a means to respond to the contextual change. Innovation in this area began to take hold, especially in the nonprofit sector that became—often unwillingly—a partner to these policy changes. Thus, venerable nonprofits such as the United Way or the YM/YWCA became participants in various government program-downloading projects such as the infamous “workfare” program of the Harris government.

At the turn of the millennium, the focus on social enterprises increased, both by actors in the social economy and in government, and can be said to be an agreed-upon concept now even if the meaning of the concept remains opaque. Interestingly, there have been important policy changes to facilitate social enterprise in Ontario, perhaps most notably in energy, where the Green Energy Act has broken up the state monopoly on energy generation for both private and community power entities. More recently social enterprise has also made inroads into social service delivery across a broad spectrum of services from healthcare to elder care.

Contextual aspects

The context of social enterprise in Ontario is deeply influenced from four, often contradictory, directions, and those influences are features in social enterprise discourse and practice in Ontario. First, there is the strong influence of the United States and its focus on entrepreneurship and self-sufficiency—especially in Ontario’s Anglophone communities. Thus the dominant formulation of social enterprise in Ontario, especially from the point of view of funding bodies, is one that focuses on individual entrepreneurs creating successful businesses that have, as an element, a broadly construed social purpose (e.g., employment or environmental need). Second, there is the influence of the social enterprise movement in the UK—which has a more socially focused and policy component. Thus the state can create policies (for example, the Green Energy Act) that encourage community control and opportunities for social entrepreneurs in the context of Ontario. There is increasing acceptance of these types of policies politically, although their implementation in policy is underdeveloped and measurement of the impacts of such policies on community well-being understudied. Third, and this is especially true of Francophone and immigrant communities, there is the influence of a more European understanding of social enterprise in line with the EMES definition (Defourny & Nyssens, 2012), and following the Québec example. And finally, Ontario social enterprises are distinguished by their diversity, shaped by the geographic, socio-economic, and demographic complexity of the province as well as the wide assortment of funding sources and a plurality of organizational forms (e.g., nonprofits parented by a charity, nonprofit co-operatives, for-profit co-operatives, etc.). One could see First Nations social enterprise activity as a fifth

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influence, but this is not specific to Ontario, affected, but not determined, by the policies and influences mentioned above, while encompassing the heterogeneous characteristic of social enterprise models taken up by Aboriginal communities across Canada (see Sengupta, Vieta, & McMurtry, 2015).

Conceptual dimensions

A number of definitions regarding social enterprises are used in Ontario. Recent academic and consultant-based research has defined social enterprises in ways that identify their strong social mission, varying in emphasis related to their social innovation, main beneficiaries, or organizational structure.

For instance, social enterprises are recognized to be “innovative organizations established to address social needs and or problems; the social mission is central and explicit; and assets and wealth are used to create community benefit” (Madill, Brouard, & Hebb, 2010, p. 137). In a report for SiG@MaRS, Mulholland Consulting (2008, p. 5) defines social enterprise as “the establishment, financing and operation of sustainable businesses by non-profit, co-operative and for-profit organizations or corporations, for the purpose of selling goods and services, generating a profit, and generating measurable social benefits beyond those generally delivered by competitor businesses.” Flatt, Daly, Elson, Hall, Thompson, and Chamberlain (2013) define social enterprise as “a business venture owned or operated by a non-profit organization that sells goods or provides services in the market for the purpose of creating a blended return on investment, both financial and social/environmental/cultural” (p. 4).

The Province of Ontario has only recently entered the social enterprise sector with the opening of the Office of Social Enterprise in 2012, located within the Ministry of Economic Development, Trade and Employment. Focusing on the social impacts, business, and revenue generation dimensions of the organizational form, its report *Impact: A Social Enterprise Strategy for Ontario* defines social enterprise as “an organization that uses business strategies to maximize its social or environmental impact” and “a business with two goals: achieve social, or environmental outcomes, and maximize revenue” (Government of Ontario, 2013b, pp. 5, 7). It is still too early to tell how much influence and impact on shaping the direction of the social enterprise sector the province’s recent entry will have, given that the social enterprise concept and model have been a part of Ontario’s social economy for some years already.

The social economy sector in Ontario has also been influential and active in attempting to conceptualize social enterprise and social innovation. For instance, the Centre for Social Innovation defines social innovation as “New ideas that resolve existing social, cultural, economic and environmental challenges for the benefit of people and planet. A true social innovation is systems-changing—they permanently alter the perceptions, behaviours and structures that previously gave rise to these challenges” (Centre for Social Innovation, 2015, para. 1; see also Ontario Nonprofit Network, 2010, p. 2).

Finally, broader Canadian definitions have also been influential in the province. The Canadian Task Force on Social Finance (2010) suggests that “a social enterprise is generally understood to mean any organization or business that uses the market-oriented production and sale of goods and/or services to pursue a public benefit mission. This covers a broad spectrum of entities—from enterprising charities, non-profits, and co-operatives to social purpose businesses” (p. 32). The Canadian Task Force on Social Finance (2010) further defines social purpose businesses as “commercial for-profit entities created by entrepreneurs to address social issues, with

the core of their operations directed toward maintaining their social purpose, while operating in the market economy” (p. 32).

A few observations can be made from the above range of definitions. First, participatory governance has not centrally entered into the discussion of social enterprise in Ontario outside of the co-operative sector. Second, the dominant elements of social enterprise are seen to rotate around

1. economic operation in the market, and
2. provisioning a social good of some kind, namely environmental, community, social, or economic well-being.

Although these elements give some clarity to the social enterprise form in Ontario, it also creates significant latitude for for-profit market actors to claim identity in this sphere. Third, the definitions of social enterprise in Ontario are significantly being launched by already existing entities—nonprofits, co-operatives, and market agents—as a way to “rebrand” existing activities to an emerging policy and popular perception paradigm.

A final observation is that social enterprises are significantly emerging “from the ground up” in Ontario using existing legislation and organizational forms as tools to meet social, community, economic, and cultural challenges. It can be expected then, as these experiments take hold and demonstrate value to policy makers and the public at large, that the definitional environment will change accordingly. We are, in Ontario, in a period of significant transition, with social enterprise emergent but by no means stable.

FIVE ILLUSTRATIVE CASE STUDIES OF SOCIAL ENTERPRISE IN ONTARIO

Social enterprises in Ontario are distinguished by their organizational diversity. This diversity is due to both the plurality of socio-economic needs they attempt to address and the lack of unified provincial legislation and policies for social enterprises. Social enterprises in Ontario are further shaped by the geographic, economic, and demographic complexity of the province. As such, our case studies attempt to illustrate the differences among Ontario social enterprises, namely their variety of organizational and governance forms; the stakeholders they involve; the multiplicity of socio-economic, environmental, and cultural needs that drive them; and the regional characteristics that differentiate them.

For structuring the case studies, we have taken into consideration the key objectives of the broader ICSEM project, with further guidance from research frameworks and findings provided by recent Canadian and Ontario studies of social enterprise models (i.e., Elson & Hall, 2013; Flatt et al., 2013; Quarter, Mook, & Armstrong, 2009). Our case studies thus endeavour to take into account the historical, organizational, and contextual dimensions of what we have identified as exemplar Ontario social enterprises. Our case studies include an overview of each enterprise’s main social purpose and activities, governance structure, institutional trajectory and enabling environments, and finances and financial model (see Table 1 for a summary of our illustrative case studies).

Table 1: Summary of case studies in Ontario

Name of the organization	Region / City	Legal structure	Ownership	Purpose	Activities
Groupe Convex Prescott- Russell	Eastern Ontario / Rockland	Nonprofit corporation	Community	Multipurpose enterprise	Francophone work integration / reinsertion
Haween Enterprises	Southern Ontario / Toronto	Parented nonprofit corporation	Private by statute (foundation)	Capacity-focused enterprise	Work integration and training for immigrant women
The Renewable Energy Co-operative	Southern Ontario / Toronto	Nonprofit co-operative	Members (consumers of the power produced)	Community power producer and facilitator	Sustainable energy provider
Sumac Worker Co-operative	Southwestern Ontario / Guelph	For-profit co-operative	Individuals (workers)	Multipurpose enterprise	Fair employment and fair trade / organics
Good Foot Delivery Service	Southern Ontario / Toronto	Nonprofit corporation parented by a registered charity	Stakeholders in trust (trustees) — nonprofit foundation	Capacity-focused enterprise	Permanent employment and training for people with cognitive challenges

Groupe Convex Prescott-Russell

Rockland, Eastern Ontario
www.groupeconvexpr.ca

Overview

Groupe Convex Prescott-Russell, Inc. / Prescott-Russell Convex Group, Inc. (hereafter Groupe Convex) is a federally incorporated nonprofit organization located in Prescott-Russell in eastern Ontario, close to Ottawa. Established in 2004, the corporation incubates and manages social enterprises, namely businesses that have a social mission.

Groupe Convex’s mission is “to generate quality jobs through business projects for people of Prescott-Russell, who face challenges in terms of employability” and the enterprise “also serves as a catalyst in socio-economic change for the region” (Groupe Convex, 2014, n.p.). Convex may, jointly with its partners, guide entrepreneurship forces to solve social problems. The underlying philosophy is that “employment is one of the most gratifying experiences in North American society” (Arcand, 2010, p. 2).

Groupe Convex is an umbrella organization and operates nine social enterprises and has closed or sold three other social enterprises (see Table 2). Groupe Convex’s social enterprises employ more than 180 employees, of whom around three out of four workers face serious barriers regarding their employability (for example, related to intellectual disability).

Table 2: Groupe Convex social enterprises

Name	City	Year	Products / Services
Groupe Convex (3 employees)	Rockland	2004	Head office www.groupeconvexpr.ca
Social enterprises			
Express Net (24 employees)	Hawkesbury	2002*	Interior cleaning and housekeeping; Exterior cleaning and groundskeeping; Interior and exterior painting; Moving services
Menuiserie / Woodshop Casselman (20 employees)	Casselman	2002*	Manufacturing of wooden garden furniture; Transformation of ornamental wooden products; Design and manufacturing of various wooden products; Custom development; Inventory management
Antiques Hawkesbury (20 employees)	Hawkesbury	2004	Restoration and repair of antique furniture and wooden furniture; Finishing of cabinets, stairs, and hardwood floors; Sale of restoration and finishing products for furniture and antiques; Pickup and delivery
Emballages Prescott-Russell Packaging (32 employees)	Rockland	2004	Packing and bagging; Inserting and assembling documents; Labelling; Handling and finishing of packaging
Les Glaneurs / The Harvesters (22 employees)	Eastern Ontario and western Québec	2005	Labour co-operative: Sowing and planting; Weeding, hoeing, and pruning; Picking and harvest; Vegetable production; Animal care and milking; Wood cutting
Café Le Plateau (8 employees)	Hawkesbury	2007	Specialty coffees and drinks; Breakfast; Fresh sandwiches and salads; Catering (Monday to Friday)
Recycle-Action (50 employees)	Hawkesbury	2008	Recycling of blue box content; Recycling of white expanded polystyrene; Collection and recycling of cardboard; Electronic waste recovery; Destruction and shredding of confidential documents; Special collections; Rental of containers
Café Bistro (1 employee)	Rockland	2012	Specialty coffees and drinks; Breakfast; Fresh sandwiches and salads; Catering (Monday to Friday)
Café entre 2 barreaux (3 employees)	L'Original	2012	Specialty coffees and drinks; Breakfast; Fresh sandwiches and salads; Catering (Monday to Friday)
Total (183 employees)			
Librairie du Coin (5 employees)	Casselman	2005; closed in 2009	Library
Gold and Spices (6 employees)	Hawkesbury Plantagenet	2005; closed in 2011	Selling coffee and spices; gift baskets
Imprimerie Charles Printing (6 employees)	Hawkesbury	2005; sold in 2012	Print shop

Governance

A volunteer board of directors consisting of eight persons oversees the activities of Groupe Convex. Board members are chosen from the community in the region. Groupe Convex's financial results are reported in two financial statements (year-end March 31), one for Recycle-Action and one for Groupe Convex (consolidating all social enterprises, except Recycle-Action). The separate structure for Recycle-Action was created due to higher risks from an insurance point of view.

Institutional trajectory / Enabling environments

Groupe Convex is the result of an initiative made by Valoris for Children and Adults of Prescott-Russell (hereafter Valoris), formerly Prescott-Russell Services to Children and Adults (PRSCA) (Arcand, 2010). Valoris is a multi-service social service agency for children, teenagers, adults, and their families living in the United Counties of Prescott-Russell in eastern Ontario (Valoris, 2014).

In reaction to serious and chronic unemployment among the intellectually disabled citizens of the area, a group of community leaders decided that there was need for community-based solutions. After studying nonprofit organizations in Canada, France, Switzerland, and the United States, and looking at transforming traditional sheltered workshops into real businesses, these leaders created a separate organization. "Though initially formed under Valoris, within two years the decision was made for Groupe Convex to dissociate from the agency, with agreements formed between the two entities" (Neutel, 2013b, p. 1). The decision was based on the different approaches of social services and social enterprises, and because Groupe Convex would be an employer (Arcand, 2010; Neutel, 2013a). The first executive director, Caroline Arcand, was the PRSCA's project leader, and she remains the executive director of Groupe Convex.

Finances and financial model

As of March 31, 2014, Groupe Convex had total revenues of more than \$3.5 million, including about \$1.7 million from selling products or services, representing around 50 percent of the total operating budget. Grants, the other 50 percent of the operating budget, come mainly from the Valoris social services agency, various government agencies, and foundations, such as the Ontario Trillium Foundation, Yves Landry Foundation, and Co-operators Foundation.

Grants and revenues coming from Valoris and their related organization, such as the Valoris Foundation and the Valor Institute, are subject to continuous negotiations with Valoris to cover social costs to compensate for lack of productivity or errors and to ensure appropriate supervision of the workers. The Prescott-Russell Community Development Corporation has provided venture capital to finance the purchase of equipment.

Haween Enterprises

Toronto, Southern Ontario

www.haweenenterprises.com

Overview

Integrating new immigrants into the workforce is a major social and economic challenge in Toronto, Canada's major destination for newcomers, where over half of the population consists of people born elsewhere. In recent decades, as a response to this surge in immigrant populations across Ontario's major urban centre as well as

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the reduction of government-sponsored work integration and settlement programs, transition-to-employment social purpose businesses such as Haween Enterprises have emerged.

Haween Enterprises (hereafter Haween) began operations in 1992 shortly after the founding of its parent organization, the Somali Women and Children's Support Network (SWCSN), as a response to the employment needs of refugee women arriving mostly from Somalia. Haween (the Somali word for women) employs women who have participated in training with its parent organization, the SWCSN, and other similar immigrant settlement organizations found throughout urban Ontario and Canada. Via Haween, the SWCSN strives to improve the long-term employment opportunities of its women participants by funneling its social objectives through the market activities of Haween's "contract manufacturing" of clothing and other products. At the same time, and via the close work with SWCSN's other programs, Haween's workers are also provided with job training, ESL (English as a Second Language) educational services, and the development of business skills such as marketing, invoicing, and general business administration.

Haween is a "transitional employment" social enterprise, providing "training and transitional employment" (Quarter et al., 2009, pp. 110–113) for immigrant and low-income women in Toronto's inner-city suburb of Rexdale (Haween Enterprises, 2014). Haween Enterprises is a good example of a training-based and settlement-focused work integration social enterprise that addresses the skills upgrading and work experience required by a vulnerable subset of Toronto's new immigrants: women from wartorn areas of the world. Economically, SWCSN, via Haween Enterprises, supports part of its cost recovery via Haween's textile and sewing business, which makes garments, vacuum cleaner bags, corporate apparel, and conference materials for private- and public-sector interests.

Haween's workforce is involved in product development, cutting, design, and sewing. It outsources the skills and capabilities of these women to other nonprofit and for-profit businesses while empowering its workers to acquire the confidence and capacities needed to navigate the Ontario job market. In line with its social objective, Haween does not mass-produce its products, purchases production inputs from the fair trade movement, and is compliant with the "Made in Canada" label. Its mission statement, encapsulating the gist of its social purpose, is as follows:

To increase employment opportunities and work experience for both Somali and other immigrant women, providing services to the textile industry, manufacturers, and private companies. Involvement in Haween Enterprises will increase these women's self-sufficiency and improve the quality of their lives. The social support component of Haween includes increasing life skills, leadership skills, social networks, and the capacity to integrate into Canadian Society. (Haween Enterprises, 2014, n.p.)

Governance

Haween Enterprises is owned and operated by the parent charity organization, Somali Women and Children's Support Network (SWCSN). This is a typical model for social enterprises for marginalized communities in Ontario. In practice, Haween is a subsidiary of the SWCSN, enabling the charity to receive both "an income stream from the market" (Quarter et al., 2009, p. 107) and, importantly, to meet its social objectives most directly by providing a space where its program recipients can receive real-world experience and training in a market setting.

Institutional trajectory / Enabling environments

Haween Enterprises is tied closely to Somali community organizations and the state through its immigrant services as well as to the City of Toronto.

Finances and financial model

Haween is also funded and supported by the Ontario Ministry of Community and Social Services and by the United Way Toronto. The City of Toronto is also closely involved in job integration social enterprises such as Haween via its Employment and Social Services program (City of Toronto, 2014), which helps new immigrants find jobs and other financial supports that have, in recent decades, been downloaded increasingly to Canada's municipalities.

The Renewable Energy Co-operative

Toronto, Southern Ontario

www.trec.on.ca

Overview

The Renewable Energy Co-operative (hereafter TREC) was founded in 1998 (originally as the Toronto Renewable Energy Co-operative) as a nonprofit co-operative focused on community power production (The Renewable Energy Co-operative, 2014). The original membership of the co-operative comprised environmentally concerned professionals from universities and the private sector. TREC is unique as a social enterprise as it has been at the forefront of incubating emerging social enterprises in community power but has also been at the forefront of developing policy at the provincial level in both social enterprise finance and renewable energy.

Since 1998, TREC has continually diversified and expanded its enterprise activity. As mentioned, it has incubated a number of social enterprises in alternative energy—WindShare, LakeWind, SolarShare—as well as a nonprofit educational organization, TREC Education, and a business incubation and professional services business, TREC Services.

The main social purpose of TREC is to provide energy alternatives owned and operated by communities as well as to educate the general public on the environmental issues raised by climate change as well as innovative solutions to them. By serving as an incubator of renewable energy social enterprises, TREC performs an important role in the social enterprise ecosystem in Ontario.

TREC and its board have also been instrumental in creating a positive policy environment for social enterprises in Ontario. The co-operative played a central role in changing the Ontario Co-operative Act to allow for a unique understanding of membership in energy co-operatives, as all energy produced has to be sold to the provincial hydro grid before it can be distributed. It has also played an important role in raising the profile of community bonds as a means of financing social enterprises, utilizing the Ontario Co-operative Act to innovate small-scale community investment in energy projects.

Governance

TREC is governed by community members, many of whom were instrumental in its founding. It relies heavily on its 11 paid staff, including its executive director Judith Lipp, to function day to day. Its community membership is composed largely of small-scale investors and, indirectly (see above), of the power related organizations.

Institutional trajectory / Enabling environments

TREC was initially funded by community member investments in WindShare as a traditional consumer co-operative as well as a number of grants and subsidies from the provincial government. In 2010, TREC decided to separate the funding from government, creating TREC Education as an environmental education nonprofit. TREC now focuses on income generation through its energy production activities and increasingly on TREC Services, which helps incubate other community power organizations. Finally, TREC has used existing policy frameworks, namely the Ontario Co-operative Act, to innovate in finance, developing community bonds. TREC is significantly involved in, and influenced by, a number of key policies in Ontario. These are the Ontario Co-operative Act, the Green Energy Act, the Financial Services Commission of Ontario Act, and the Not-for-Profit Corporations Act.

Finances and financial model

Financial statements are available to the board, investors, and members as is required by law. As TREC is increasingly reliant on income generation through enterprise, its finances are not easily accessible.

Sumac Worker Co-operative

Guelph, southwestern Ontario

sumac.coop

Overview

Sumac Worker Co-operative (hereafter Sumac) emerged out of a failed co-operative restaurant—Tributaries—that had a coffee roasting business (Sumac Worker Co-op, 2014). Saving the roaster from the creditors, in 1997 Planet Bean Worker Co-operative was founded, and began to produce fair trade organic coffee for the specialty coffee market—both retail and wholesale. As the enterprise grew and stabilized, the worker-owners of Planet Bean began to think about the further financing, entrepreneurial, and co-operative opportunities that might emerge under different organizational structures.

In 2005, the Sumac was born and Planet Bean became a wholly owned for-profit business subsidiary of the new co-operative. The idea of the worker-members of Sumac was, following the Mondragon example, that an apex worker co-operative that owns for-profit businesses could better provide the social goals of employment to its member/owners and promotion of fair trade products and principles through a diversity of enterprises. To date, Sumac has incorporated one other business, WearFair, a fair trade and organic clothing supplier.

Currently, Sumac has nine worker-members and provides “meaningful work” to more than 20 people in the Southern Ontario region. Sumac has annual sales of just over a million dollars, and Planet Bean has three retail outlets and a vibrant wholesale business distributing coffee throughout the region.

Governance

Sumac is a worker co-operative that is owned and operated by its workers. Workers are the sole members of the organization, and currently all of the worker-members sit on its board of directors. Worker-members, from the CEO through every other management position, staff the management team of the organization. The president of Sumac sits on the board of both the for-profit companies (Planet Bean and WearFair). The boards of these organizations may also have community non-members of the co-op on their board.

Institutional trajectory / Enabling environments

Sumac is a self-managed and self-financed social enterprise, which self-consciously chose to incorporate as a worker co-operative utilizing the Ontario Co-operative Act. It is financed through a combination of member loans through “sweat equity” (where a portion of the members’ wages are held back by the co-operative to purchase shares in the co-operative); loans from financial institutions; and grants and investments from “social investors” such as the Canadian Alternative Investment Co-operative (CAIC) and individual community members. Sumac has created a positive investment environment for individual community members by utilizing the federal government policy of Registered Retirement Savings Plans (RRSPs) and Tax-Free Savings Accounts (TFSA) that provides various tax breaks to investors on top of the favourable rates of interest attached to these investments.

Finances and financial model

As outlined above, Sumac is self-financed through business activity, grants, investments, and member loans.

Good Foot Delivery Service

Toronto, Southern Ontario
www.goodfootdelivery.com

Overview

Good Foot Delivery Service (hereafter Good Foot) is an example of a social enterprise that creates a place for “permanent employment” for communities that find it difficult to enter the job market. Good Foot employs people with developmental disabilities and offers a personalized point-to-point delivery service on foot or via public transit for more than 200 corporate and individual clients throughout metropolitan Toronto. A nonprofit work integration social enterprise parented by a charity organization, Good Foot was founded in 2010 by advertising executive Kirsten Gauthier and her brother Jon Gauthier. From an initial vision to create a meaningful and stable job for Jon, the business has gone on to employ more than 20 people with cognitive challenges and other developmental disabilities in a courier service that uses Toronto’s public transit system for deliveries. As of early 2014, Good Foot was providing jobs for 13 part-time couriers and seven volunteer-based workers, who will eventually transition into work as part-time employees.

Good Foot’s mission is to be a “courier service providing dependable point-to-point delivery within the Greater Toronto Area ... in a timely fashion with an attention to detail and quality.” For Good Foot, it is their social aim that sets them apart: “We believe social responsibility to be a corporate duty and we are proud to give companies in our community the option to invoke that duty in a way that serves their image, utility and bottom line” (Good Foot Delivery, 2014, n.p.). Indeed, Good Foot enjoys exceptional support from its corporate clients,

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who appreciate helping provide employment to some of the city's disadvantaged residents while receiving dependable and quick delivery services (Schatz, Vieta, & Kasparian, in press).

While Good Foot is a social enterprise that is in the courier business, it is primarily tasked with helping provide financial independence, self-direction, and responsibility to its workers, assisting in improving their mental and physical well-being and in helping them become "integral contributors" to the community. All of Good Foot's workers are also on Ontario Disability Support Program (ODSP) assistance. Potential employees start out on a two-month probationary test period as volunteers, shadowing more seasoned delivery workers. After the probationary period, volunteer workers eventually becoming paid part-time employees if they wish. Good Foot also has an open-door policy, accepting most people with developmental disabilities who are willing and able to begin the mentorship phase of the program.

A recent study of Good Foot for its social return on investment report found many intrinsic benefits to working at Good Foot, including better physical health, a sense of purpose, the development of extended social relationships, and other benefits for workers and their families (Schatz et al., in press). Moreover, Good Foot has partnered with local restaurants and businesses to provide its workers with free and healthy lunches, free cellphones, participation in a yoga program, and free tickets to local sporting and cultural events.

Governance

Good Foot Delivery Service is a nonprofit social enterprise parented by a charity organization, Good Foot Support Services. Good Foot's charity parent organization was set up to solely serve Good Foot Delivery, receiving donations from individuals, corporations, and foundations, and overseeing the long-term strategy of the courier business. The connection between Good Foot's courier business and its charity is its volunteer-based board of directors, made up of president Kirsten Gauthier and members from the local business community and the families of the workers. The daily management of the business and funding applications are the responsibility of managing director, Greg Kasparian, and the office manager, Jon Gauthier, Good Foot's two full-time paid staff.

Institutional trajectory / Enabling environments

From the perspective of its social mission, Good Foot provides its employees with decent and steady jobs. These jobs assist Good Foot's workers in becoming less dependent on government assistance, which primarily consists of ODSP contributions. One challenge has been that as ODSP recipients receive employment income, their ODSP supplement is reduced. Moreover, other benefits are affected, such as subsidized public transit passes and some Ontario Health contributions. In light of this, and as a testament to the benefits in personal confidence these workers receive, Good Foot and some of its workers have become advocates for the reform of the provincial ODSP program in recent years, with some success as the province has taken an interest in Good Foot as a model social enterprise for people with mental disabilities.

Finances and financial model

As with many work integration social enterprises in Canada with strong social objectives (Quarter et al., 2009), Good Foot requires substantial funding from government grants, foundations, and other donors. Sixty-three percent of its annual revenue stream, for instance, comes from individual and foundation-based donations, 20 percent from sponsorships and grants, and 14 percent from delivery sales (Schatz et al., in press). The Ontario Trillium Foundation provided initial startup money, and the University of Toronto's Social Economy Centre

supported Good Foot through its recent SROI (Social Return on Investment) research project, which was initiated to try to measure Good Foot's greater social returns, such as employees' intrinsic benefits from working there. Good Foot Delivery also enjoys a reduced monthly rental for its office space and access to many of the city's social enterprises (and thus clients) from its location at Toronto's Centre for Social Innovation.

INSTITUTIONS SUPPORTING SOCIAL ENTERPRISE IN ONTARIO

The main institutions in Ontario supporting social enterprise include various legal frameworks, public policies, university institutions, networks, spaces, and funding agencies and programs, all of which are discussed in this section.

Legal frameworks

Different pieces of legislation interact in Ontario. We distinguish between the main and secondary laws of the Government of Ontario at the provincial level and those at the federal level, by the Government of Canada. These pieces of legislation include laws concerning legal structure (corporation and co-operative), charities, taxation treatment, how specific transactions can be carried out, and various other laws. There is no specific social enterprise law in Ontario. Modernizing the Ontario Not-for-Profit Corporations Act (ONCA) is one of the most recent changes (still pending) affecting nonprofit organizations in the province, including social enterprises. The Ontario Law Reform Commission's report of 1996 also examined and influenced the province's current legislation on charities.

Public policies

Public policies focusing on social enterprises in Ontario are developing, but are relatively recent. Some strategies and funds are currently in place to explore different possibilities and directions for social enterprise public policy (Flatt et al., 2013; Government of Ontario, 2013b).

In 2008, the Government of Ontario published two policy reports. The Ontario Innovation Agenda proposed "to develop a Social Venture Capital Fund and a Social Innovation Generation Program to encourage the growth of social enterprise" (Government of Ontario, 2008a, p. 27). Regarding social innovation, Ontario's Poverty Reduction Strategy proposed to develop and implement a Sustainable Procurement Strategy, which "will include social procurement factors, including social enterprises" (Government of Ontario, 2008b, p. 32). Moreover, the Ministry of Citizenship and Immigration of the Government of Ontario and the Ontario Trillium Foundation (2011) engaged in The Partnership Project, "an initiative to build a stronger partnership with the not-for-profit sector" (p. 35). Started after the May 2011 Social Innovation Summit, a wiki process was experimented with for policy development. The result was the publication of *Ontario's Social Innovation Policy Paper* (Government of Ontario, 2012).

In 2012, an Office for Social Enterprises was created as part of the Government of Ontario's Ministry of Economic Development, Trade and Employment. The objective of the Office for Social Enterprises is to promote the province's programs and services for social enterprises and to raise the profile of social entrepreneurship in Ontario and around the world. In 2013, the Government of Ontario released a report on the "State of the Sector" with a "Profile of Ontario Not-for-Profit and Charitable Organizations" (Government of Ontario, 2013a). This report was followed by *Impact: A Social Enterprise Strategy for Ontario* (Government of Ontario, 2013b). The

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Ontario social enterprise strategy plans “to foster an innovative, coordinated and collaborative social enterprise sector, positioning Ontario as a global leader in social enterprise” (p. 1).

University institutions

Many Ontario universities have research centres and programs oriented toward social enterprises. They are presented here from eastern Ontario to western Ontario.

The Sprott Centre for Social Enterprises / Centre Sprott pour les entreprises sociales (SCSE/CSES) is a research centre located in the Sprott School of Business, Carleton University, in Ottawa. The SCSE/CSES was established in 2008. The Sprott School of Business also offers an International Development Management concentration as part of the Sprott MBA. Established in 1997, the Carleton Centre for Community Innovation (3ci) is a research centre also located at Carleton University. In August 2013, Carleton University’s School of Public Policy and Administration also began to offer the Master / Diploma in Philanthropy and Nonprofit Leadership (MPNL).

The Centre for Responsible Leadership (CRL), established in 2004, is a research centre located in Queen’s School of Business at Queen’s University in Kingston, which also hosts the Public Policy and Third Sector Program Initiative (TSP), a research and teaching initiative within the School of Public Studies, established in 1999.

The University of Toronto, in Toronto, had until late 2014 the Social Economy Centre (SEC) It also hosts the Social Enterprise Initiative @ Rotman in the Rotman School of Management and the Mowat Centre. The SEC was established in 2005 and recently merged with another research centre to become the Centre for Learning, Social Economy and Work (CLSEW), founded in November 2014. The Mowat Centre is a research centre and public policy think tank located in the School of Public Policy and Governance. The Mowat Centre was established in 2009 and MowatNFP, a research program, was established in 2012.

The Schulich School of Business and the Department of Social Science’s Business & Society program at York University in Toronto offer different programs, such as the Social Sector Management Program, the MBA in Social Sector Management, the Graduate Diploma in Nonprofit Management & Leadership, and the Co-operative Management Certificate Program.

The Centre for Voluntary Sector Studies (CVSS) is a research centre located in the Ted Rogers School of Management at Ryerson University in Toronto. The CVSS was established in 1995. Under the auspices of CVSS, Ryerson University offers a Certificate Program in Interdisciplinary Studies in Nonprofit and Voluntary Sector Management.

The Social Innovation Generation (SiG@Waterloo), established in 2008, is a research centre located in the School of Environment, Enterprise and Development (SEED) at the University of Waterloo in Waterloo. The related Waterloo Institute for Social Innovation and Resilience (WISIR) is also located at SEED at the University of Waterloo and offers a Graduate Diploma in Social Innovation.

Networks

The Ontario Nonprofit Network (ONN) is a nonpartisan convener for sector voice and a coordinator for nonprofits in Ontario. The ONN was established in 2007 in response to concerns about proposed changes to

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the Ontario Not-for-Profit Corporations Act (Bill 65). The Rural Social Enterprise Constellation (RSEC) is a working group of ONN.

The Canadian Community Economic Development Network / Réseau canadien de développement économique communautaire (CCEDNet-RCDEC) is a member-led national association of several hundred organizations and individuals in every province and territory. The CCEDNet-RCDEC was established in 1999 and the national office is based in Ottawa, with its Ontario regional office located at the Centre for Social Innovation in Toronto.

The Canadian Council on Social Development / Conseil canadien de développement social (CCSD) is a registered charity and was established in 1920. The Ontario Co-operative Association (On Co-op) is a resource organization established in 1989 to serve Ontario's co-operatives in the areas of co-operative development, government relations, membership and communications, and lifelong co-operative learning. The Conseil de la Co-opération de l'Ontario (CCO) is an association supporting the social economy and co-operation for Francophone Ontario. The CCO was established in 1964 and also works closely with On Co-op.

The Réseau de développement économique et d'employabilité (RDÉE Canada) is a national organization working for the economic development of the Francophone and Acadian communities of Canada. The RDÉE Ontario (2014) promotes economic development and employability in order to ensure the vitality and sustainability of all Francophone communities in Ontario.

Enterprising Nonprofits (enp) Canada is a national collaborative program that promotes and supports social enterprise development and growth as a means to build strong nonprofit organizations and healthier communities. enp Toronto (enp-to) is a program managed by the Toronto Enterprise Fund. enp Ottawa is managed by the Centre for Innovation and Social Enterprise Development (CISED). The Social Enterprise Council of Canada / Conseil des entreprises sociales du Canada (SECC/CESC) is an alliance of social enterprise leaders, affiliated with enp Canada.

Established in 2013, the Greater Toronto Area (GTA) Co-op Network is a network based around co-operatives in Toronto. Social Enterprise Toronto (SET), formerly known as Social Purpose Enterprise Network of Toronto (SPEN), is a network of nonprofit social purpose enterprises and practitioners founded in 2006. LIAISON (Linking Infrastructure and Investment for Ontario) was created in 2012 and is a three-year collaborative project to enhance the availability and consolidation of resources that support growth of the social enterprise sector in Ontario.

Spaces

MaRS Discovery District is a registered charity located in Toronto, established in 2000. MaRS' main aim is to provide resources and private-public partnerships for socially focused initiatives and social innovation—people, programs, physical facilities, funding, and networks. The MaRS Centre for Impact Investing located in Toronto is a social finance hub and project incubator. Strategic initiatives of the centre include a Certified B Corporation (B Corp) hub, the Canadian Task Force on Social Finance; the outcomes finance incubator, Impact8; community finance solutions, socialfinance.ca; a social finance forum; and the Social Venture Exchange (SVX). Supported by SiG National, Social Innovation Generation (SiG) is a partnership of the J. W. McConnell Family Foundation (SiG@ McConnell), the MaRS Discovery District (SiG@MaRS), and the University of Waterloo (SiG@Waterloo). Established in 2003, the Centre for Social Innovation (CSI) offers space in Toronto for social

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enterprises. Similarly, HUB Ottawa, established in 2012, is a co-working community for social entrepreneurship located in Ottawa.

Based on the UK's School for Social Entrepreneurs founded in 1997, the School for Social Entrepreneurs—Ontario (SSE-O) offers training in Toronto for social entrepreneurs. The SSE-O is located at CSI Regent Park and was established in 2012. Finally, a number of local social enterprise-focused organizations are active throughout Ontario, such as the Centre for Innovative Social Enterprise Development (CISED) in Ottawa, Pillar Nonprofit Network in London, Community Opportunity and Innovation Network (COIN) in Peterborough, and PARO Centre for Women's Enterprise in northwestern Ontario.

Funding agencies and programs

The Government of Ontario and a small number of foundations are active in funding social enterprises in Ontario. The Ontario Trillium Foundation / Fondation Trillium de l'Ontario (OTF) is an agency of the Government of Ontario. The OTF is now mandated to allocate over \$150 million annually to community organizations and initiatives, nonprofits, and social enterprise initiatives. In 2012, OTF launched the Future Fund, a program to build capacity in the social enterprise space, focusing on youth entrepreneurs (Government of Ontario, 2013b).

In February 2015, the Government of Ontario announced an investment of \$4 million, providing funding to 11 organizations that support early-stage social enterprises (Government of Ontario, 2015b). The Social Enterprise Demonstration Fund is another key commitment of the Social Enterprise Strategy for Ontario (Government of Ontario, 2013b). And since 2007, \$6 million was invested in the SIG@MARS program by the Government of Ontario (2008b).

In addition to public funders, some private foundations help social enterprises. The J.W. McConnell Family Foundation is a private family foundation. Among its programs relevant for social enterprises are indigenous-focused philanthropy, the Innoweave model, social finance, social innovation fund, and social innovation generation. Other foundations active in funding initiatives related to social enterprises in Ontario include the Laidlaw Foundation, the Metcalf Foundation, the Toronto Foundation, TIDES, and the Atkinson Charitable Foundation.

Toronto Enterprise Fund (TEF) is a funding partnership of United Way Toronto, the Ontario Ministry of Community and Social Services, and the Government of Canada, supporting the implementation of social enterprises.

The Community Futures Program is a Government of Canada initiative that supports 61 Community Futures Development Corporations / Sociétés d'aide au développement des collectivités en Ontario (CFDCs/SADCs) in Ontario. FedDev Ontario works with the 37 CFDCs in rural western, southern, and eastern Ontario.

The Ontario Network of Entrepreneurs (ONE) is a network funded by the Government of Ontario offering a range of programs for starting, growing, and financing a business, including social enterprises. Ontario Catapult Microloan Fund is a social finance initiative providing loans to eligible social enterprises, implemented by the Centre for Social Innovation. Infrastructure Ontario is a long-term program to renew infrastructure in social enterprises mostly for community health and social services hubs, Aboriginal health centres, and nonprofit sports and recreation organizations. The Ontario Centres of Excellence (OCE) holds a Social Enterprise

Partnership Challenge and Student Competition to help build and finance new social enterprises. Finally, the Ontario Federation of Indigenous Friendship Centres (OFIFC) provides initiatives for assisting First Nations–based social enterprises in the province.

CONCLUSION

The objective of this article, summarizing research work conducted as part of the “Social Enterprises Models in Canada” research of the International Comparative Social Enterprise Models (ICSEM) Project, has been to examine social enterprises in Ontario, Canada. We began the article by presenting an analysis of the historical, contextual, and conceptual dimensions of social enterprises in Ontario within the broader context of social enterprise development in Canada. The “social enterprise” term, we articulated there, is relatively new in Ontario, but the practice of social enterprise, especially through co-operatives, has a long history in the province. As in other countries or provinces, many factors have an impact on the development of social enterprises in Ontario. Moreover, each institution involved with social enterprises has its own definition of the term, adding further complexity to its conceptualization.

Through five illustrative cases studies, examples of social enterprises were then presented with an overview of the social enterprise, its governance, the institutional trajectory and enabling environments that contextualize the organization, and relevant financial information. We can conclude from these five case studies that there is a diversity of social enterprise models in Ontario in terms of legal structure, purpose, governance, and ownership.

Many institutions in Ontario are related to and support social enterprises, as presented in our overview. We classified these institutions into six main categories: legal frameworks, public policies, university institutions, networks, spaces, and funding agencies and programs.

In sum, we can safely say that the development of social enterprises in Ontario results largely from community innovation and community-based actions. Except for co-operatives, no specific legal framework for social enterprises is in place in Ontario, although several public policies and laws do impact social enterprises. Universities are well positioned in Ontario with regards to research on and supports for Ontario’s social enterprises, with a number of research centres, some more recognized than others, and education programs. A large number of networks exist at the national, provincial, and local levels that also help shape Ontario’s social enterprise sector. Finally, various funding opportunities and outlets exist for Ontario’s social enterprises, including government agencies, the Ontario Trillium Foundation, and numerous family and charitable foundations.

NOTE

1. For more about this research, see <http://sprott.carleton.ca/~fbrouard/ICSEMCanadagroup> .

WEBSITES

Good Foot Delivery, <http://www.goodfootdelivery.com>
Groupe Convex, <http://www.groupeconvexpr.ca>
Haween Enterprises, <http://www.haweenenterprises.com>
The Renewable Energy Co-operative, <http://www.trec.on.ca>
Sumac Worker Co-op, <http://sumac.co-op>
Valoris, <http://www.valorispr.ca>

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Social Enterprises in the Canadian West

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ABSTRACT

Western Canada has been the source of significant developments in the social enterprise sector over the past fifteen years. Among these developments one must include the formation of Enterprising Non-Profits in British Columbia, the Social Enterprise Fund in Alberta, and the Canadian CED Network in Manitoba. Underlying these more recent developments is a history of co-operative development and earned revenues by nonprofit organizations, reflecting a longstanding blend of entrepreneurship and community solidarity. This article highlights some of the more recent social enterprise developments in three Western provinces, profiling three independent cases that reflect the diversity of social enterprise activity in British Columbia, Alberta, and Manitoba, and providing the results of social enterprise sector surveys that took place in these same provinces in 2014.

RÉSUMÉ

Depuis quinze ans, l'Ouest canadien a été la source de développements importants dans le secteur de l'entreprise sociale. Parmi ces développements, il faut inclure la formation : d'Enterprising Non-Profits en

Colombie-Britannique; du Social Enterprise Fund en Alberta; et du Réseau canadien de DÉC au Manitoba. Sous-tendant ces progrès récents est une longue histoire de développements coopératifs et de revenus gagnés par des organismes sans but lucratif reflétant une combinaison d'entrepreneuriat et de solidarité communautaire. Cet article souligne certains des développements plus récents en entreprise sociale dans trois provinces de l'Ouest, recensant trois cas distincts qui reflètent la diversité des activités en entreprise sociale en Colombie-Britannique, en Alberta et au Manitoba, et présentant les résultats de sondages sur le secteur de l'entreprise sociale effectués dans ces trois provinces en 2014.

KEYWORDS / MOTS CLES: Social enterprise; Canadian West; Social enterprise sector survey / Entreprise sociale; Ouest canadien; Sondage sur le secteur de l'entreprise sociale

INTRODUCTION

Western Canada is home to 30 percent of Canadians; it is Canada's gateway to Asia, contains vast stocks of natural resources, and has thriving urban areas. Western Canada has a population that is, on average, younger than the rest of Canada; and is a region that continues to grow, both in diversity and overall population (Roach, 2006). Two-thirds of Canada's First Nations people live in the west; they are an important presence in large urban cities and in many northern and remote communities. According to the 2011 census, the four Western Canada provinces have a population of more than 10.7 million—greater than Atlantic Canada and Québec combined (Statistics Canada, 2012). Between 2006 and 2011, five of the top six metropolitan areas in terms of growth rate were in Western Canada: Calgary, Edmonton, Saskatoon, Kelowna, and Vancouver. There has never been substantial manufacturing in Canada's West nor a robust welfare state—despite Saskatchewan being the birthplace of public healthcare in Canada (Curtis, 2005; Sonpal-Valias & Sigurdson, 2015; Strikwerda, 2014). Notwithstanding the size of the agricultural industry, what dominates Canada's West are resource extraction-driven economies.

This is the broader context in which nonprofit social enterprises operate in Western Canada; the challenges facing communities have less to do with deindustrialization, and more to do with the cyclical vagaries of the resource industry—social infrastructure and housing shortages in the boom, unemployment and outmigration in the bust cycle. This kind of economy creates a highly fragmented and shifting landscape of want and plenty, and a resulting complex mosaic of social needs. As in other parts of Canada, social enterprise is being explored as one response to meeting these needs by leaders with strong roots in community economic development and a desire for social and economic justice.

This article profiles recent social enterprise developments in three of the four Prairie Provinces. (Survey and case study data for Saskatchewan social enterprises are not yet available.) It discusses the overall scale and scope of social enterprises through a partial comparative analysis of their impact in Western Canada, combined with selected case profiles. These provincial profiles are based on two primary sources of data. The first is the result of social enterprise sector surveys across the three provinces taken between 2010 and 2014. The second is a series of case studies designed to highlight the diversity of social enterprise activity in Western Canada.

CASE STUDIES

The case studies, our contribution to the larger International Comparative Social Enterprise Models (ICSEM) Project, use a definition of social enterprise that blends societal purpose and market engagement, independent of organizational form (broad definition); and are independent of the social enterprise sector surveys profiled here (Brouard & McMurtry, 2015). For the social enterprise sector survey research, social enterprise is narrowly defined, as does Enterprising Non-Profits Canada (enp Canada), *as a business venture owned or operated by a nonprofit organization that sells goods or provides services in the market for the purpose of creating a blended return on investment, both financial and social/environmental/cultural* (Elson & Hall, 2012).

We prepared a profile of three social enterprises, one in each of British Columbia, Alberta, and Manitoba. These cases were chosen (see Table 1) to highlight social enterprises that are both unique to Western Canada and its First Nations communities, while remaining reflective of the broad definition of social enterprise above. These cases represent a diversity of initiatives that are in different stages of development and that reflect a clear and focused blend of purpose and market. We start our profile in the west and move eastward (in a most un-Canadian way!).

Table 1: Summary of case studies in British Columbia, Alberta, and Manitoba

Name of the organization	Region/city	Legal structure	Ownership	Purpose	Activities
KUTERRA LP	North Vancouver Island/'Namgis First Nation	Limited partnership	'Namgis First Nation	Economic development and environmental protection	Commercial land-based salmon aquaculture
Vecova Centre for Disability Services and Research	Southern Alberta/Calgary	Nonprofit corporation	Stakeholders in trust (trustees)—nonprofit foundation	Workforce integration for people with a disability and/or community inclusiveness	A beverage container recycling depot, recreation centre, beverage container pick-up service, baggage cart retrieval service, and paper recycling contracts
Neechi Foods Co-op Ltd.	Winnipeg's North End	Worker-owned co-operative	Neechi workers	Provision of quality products and services, building a strong co-operative, promoting community economic development, and opportunities for Aboriginal people	A full-range grocery section, fruit and vegetable courtyard, cafeteria, restaurant, bakery, fish market, specialty foods, Aboriginal books, arts, crafts, and music, seasonal farmers market, hardware, and dry goods

BC: A LEADER IN THE SOCIAL ENTERPRISE MOVEMENT

Enterprising Non-Profits (enp)—now known as enp BC—has been a guiding light for social enterprise in Canada (enp Canada, 2015a). Enp BC started in 1997 with a pilot project led by Vancity Community Foundation in

collaboration with the Vancouver Foundation and the United Way of the Lower Mainland (enp Canada, 2015a). With hindsight, neither the timing (in the aftermath of the federal budget cuts begun in the 1995 Martin budget) nor the location (in a province that had long embraced mixed public-private-community modes of social service delivery) of this launch are surprising. With additional funding from the McConnell Foundation, the project was initially designed to help ten nonprofits become more self-sustainable by developing social enterprises. From these small beginnings enp BC evolved to launch an Enterprising Non-Profits website and compile resources and tools to assist social enterprises across Canada. In 2006, for example, enp BC published the Canadian Social Enterprise Guide—the first of its kind to focus on social enterprise in a Canadian context (enp Canada, 2015a).

Enp BC now hosts a wide range of supports for social enterprises, from workshops to grants and pitch competitions. The enp BC website contains several toolkits, an online resource library, and a podcast series. Enp BC also produces an e-newsletter delivered regularly to over 4,000 subscribers across Canada. Enp BC was instrumental in the development of enp Canada and its initiative, Social Enterprise Canada (enp Canada, 2015a).

Policy recognition

The right-leaning BC Liberal government has, after a decade in power, come to acknowledge social enterprise in policy. In 2011 the BC Social Innovation Council was established with a mandate to assist the province in tackling some of its most pervasive social challenges. A 2012 Action Plan to maximize social innovation in British Columbia focused on supporting social enterprise, legislative and regulatory environments, social innovation labs and design processes, engagement, and learning and research (BC Social Innovation Council, 2012). Once the Action Plan was tabled, BC Partners for Social Impact was created to carry on the work of the BC Social Innovation Council. The BC government co-chairs the BC Partners for Social Impact, which now includes more than 70 multi-sector partners who work collaboratively to implement the recommendations and support social innovation (BC Partners for Social Impact, 2015). The BC government has also passed a new corporate structure, the Community Contribution Company legislation, similar to the UK, with partial asset lock provisions and related regulations (British Columbia, 2013). Although the take-up with this new corporate form has been nominal to date, British Columbia is the only jurisdiction in Canada that has established regulations for such a form of incorporation.

In 2014, the provincial government proclaimed April “Social Enterprise Month” to celebrate the growing social enterprise sector and recognize its contribution to the strength and resiliency of BC communities. This exposure has been substantiated with a number of ancillary efforts. The University of British Columbia has partnered with Coast Capital Savings, a credit union, to create a Social Innovation Hub to accelerate social venture growth. Simon Fraser University has launched RADical Ideas, Useful to Society (RADIUS), an innovation lab and incubator, and the University of Victoria has established a new Innovation Centre for Entrepreneurs (ICE).

The policy trajectory described here suggests a subtle but persistent change. The initial efforts had more of a focus on community development and social service delivery; and this is still a core component of the enp BC approach. However, most of the initiatives launched since 2010 reflect a shift toward social innovation and finance, with rather less emphasis on the nonprofit origins of social enterprises. It is still too early to say what the implications of this shift will be.

CASE ONE (BC)

'Namgis First Nation, British Columbia

An indigenous First Nation transformed its concerns about the effects of open net-pen salmon aquaculture into a social enterprise that has the potential to catalyze a more sustainable aquaculture industry in Canada.

Context

The wild Pacific salmon that live just off the west coast of mainland British Columbia and around Vancouver Island are intricately connected to the environmental well-being of the province. However, this well-being may be threatened by a practice referred to as open net-pen/open net-cage salmon farming, wherein Atlantic salmon are grown in densely populated nets, often located on the out-migration routes of the wild Pacific salmon. "Waste, chemicals, disease, and parasites from the farms pass through the mesh [nets] and pollute the surrounding water and seabed. Especially harmful are the sea lice who attach to wild juvenile salmon on their migration out to sea" (Living Oceans, 2015, n.p.). An alternative to the practice of open net-pen salmon farming is land-based closed containment (LBCC) aquaculture. LBCC introduces a barrier between the farmed salmon and the marine environment, which eliminates the risks to the wild salmon, while maintaining the levels of salmon produced as a food source.

The 'Namgis First Nation is situated in an area of northern Vancouver Island where a large number of these open net-pen Atlantic salmon farms are located. Growing concerns about the negative impact of these farms on the marine environment motivated the 'Namgis to explore alternatives to this unsustainable practice. Eric Hobson, an entrepreneur, philanthropist, and avid fisherman, shared the 'Namgis concerns, and founded Save Our Salmon Marine Conservation Foundation (SOS) in 2007 to begin to address this multifaceted issue through scientific research and policy advocacy. Eric Hobson and Bill Cranmer, then chief of the 'Namgis First Nation, had both been exploring LBCC aquaculture and could see the potential for significant environmental, social, and economic benefits. However, at that time, there were no commercial-scale LBCC salmon farms in Canada and the viability of such an undertaking was unknown.

KUTERRA LP

In 2011, after consultation with 'Namgis First Nation members, the 'Namgis chief and council created KUTERRA LP (KUTERRA), a social enterprise wholly owned by the 'Namgis First Nation and situated on 'Namgis land. "KUTALA means salmon in the language of the 'Namgis people. TERRA means land. And KUTERRA means salmon from the land" (Kuterra, 2014). While this case does not fit the above definition of a social enterprise, which was used for the purpose of conducting the survey, these case studies were conducted independently of the surveys and are presented here as a reflection of the diversity of organizational forms social enterprises take in Western Canada.

KUTERRA was formed for the dual purpose of:

1. Testing the technical, biological, and economic feasibility of producing Atlantic salmon at commercial scale using a land-based closed containment recirculating aquaculture system (RAS); and
2. Creating economic benefits for the 'Namgis community, such as jobs and training opportunities in this important new technology for First Nations members.

Elson, Hall, Lesson-Klym, Penner, & Andres (2015)

KUTERRA benefits from the involvement of project partner SOS, which provides business expertise. The project also benefits from the involvement of Tides Canada, which provides funding through the Salmon Aquaculture Innovation Fund, technical support through the Conservation Fund's Freshwater Institute, and independent environmental monitoring through the Pacific Salmon Foundation. Other funding has been provided by Sustainable Development Technology Canada and the 'Namgis First Nation itself. Finally, KUTERRA's board and advisory team include financial, legal, engineering, and industry experts from across North America.

In March 2013, KUTERRA began operations as the first Canadian LBCC farm to “demonstrate the commercial viability of producing Atlantic salmon for table food in a land-based, closed containment recirculating aquaculture system (RAS)” (Kuterra, 2014, n.p.). One year later, on Earth Day (April 22) 2014, KUTERRA salmon officially entered the marketplace and is now distributed through Albion Fisheries, and sold to consumers through Safeway stores in British Columbia and Alberta.

KUTERRA is growing Atlantic salmon, in order to be able to directly compare and assess the viability of an alternative aquaculture industry to that which produces Atlantic salmon in open net-pens. To support the goal of growing a sustainable aquaculture industry, performance metrics related to production costs and biological and technical assumptions related to the KUTERRA Project are being tracked and will be widely disseminated to help drive the growth and development of this industry.

While these are still early days for KUTERRA, utilization of the facility's full stocking density is projected for early 2015, and positive cash flows are projected for the end of the 2015 fiscal year. Finally, there is an expectation that several ancillary businesses such as aquaponics, value-added processes such as custom smoking, and energy production from the anaerobic digestion of the solid waste, will follow this initial phase of KUTERRA and result in further environmental and economic benefits.

ALBERTA: SOCIAL ENTERPRISE AND THE NEW WEST

The social enterprise sector in Alberta does not share the history of sector-wide developmental funding that enp represents in BC. However, there are a number of significant and worthwhile initiatives that have been undertaken to support social enterprises in Alberta. Among them are the Alberta Community and Co-operative Association's Unleashing Local Capital project (initiated in 2012); the Calgary-based community economic development networking organization Thrive (founded in 2006); the Social Enterprise Fund, launched in 2008 by the Edmonton Community Foundation and the City of Edmonton; the Trico Charitable Foundation (also launched in 2008); and the Calgary Foundation Social Enterprise Initiative (launched in 2011). In 2013 Calgary hosted the Social Enterprise World Forum, attracting more than a thousand delegates from all corners of the globe. The Trico Charitable Foundation is an enp Canada affiliate (enp AB) and as such provides workshops, a grant program, and pitches contests to foster social enterprises throughout the province, as do the enp affiliates in British Columbia, Manitoba, Ontario, and Nova Scotia (enp Canada, 2015a).

The Social Enterprise Fund (SEF) is a loan fund representing a direct social asset investment, not a grant program, by the Edmonton Community Foundation. The SEF plays a role in the larger community interested in the concept of social enterprise, working with partners across the province and the country to expand the practical understanding of how social enterprise works “on the ground,” as well as contributing to the training

Elson, Hall, Lesson-Klym, Penner, & Andres (2015)

opportunities available to social entrepreneurs (Social Enterprise Fund, 2015b). The SEF has recently partnered with Calgary's enp AB to present learning and workshop opportunities for those interested in social enterprise (Social Enterprise Fund, 2015a).

Social enterprise has also been a focus area for the Calgary Foundation's community leadership program. The first phase was a research initiative that resulted in a report, "Mission and Money," jointly funded by the Calgary Foundation, United Way of Calgary and Area, and the City of Calgary, which validated the appetite among nonprofit organizations and social investors for social enterprise (Calgary Foundation, 2011b). This was followed by a pilot project, in partnership with Social Venture Partners Calgary, to study the growth of social enterprises through a comprehensive case study analysis (Calgary Foundation, 2011a). Other exploratory studies have been undertaken by community groups such as the United Way of Calgary and Area (United Way of Calgary and Area, 2014).

Pilot and catalytic programs, rather than a substantive and co-ordinated social enterprise development strategy, has occurred in Alberta; none more visible than the 2014 announcement and subsequent cancellation of a \$1 billion Provincial Social Innovation Endowment Fund (Alberta, 2015). There is substantial potential for social enterprise development in Alberta. The requisite mind-set appears to be there, and there are a number of groups, both in the provincial government and in communities, particularly Calgary and Edmonton, that are exploring the implications of the broader concept of social innovation through an evolving Alberta Social Innovation Network. Only time will tell if these largely independent initiatives will spark a broader social enterprise movement across the province.

CASE TWO (AB)

Vecova Centre for Disability Services and Research, Calgary, Alberta

With five social enterprises that offer tangible examples of inclusive community, Vecova reflects a balance of staying power and ongoing innovation.

Context

Vecova Centre for Disability Services and Research (Vecova) provides a range of supports and services for individuals with developmental disabilities and diverse needs. The organization also produces accessible, practical research as an affiliate research institute of the University of Calgary. A volunteer board of directors comprised of ten community and rehabilitation industry leaders governs Vecova.

Since its inception in 1969, Vecova has operated a number of enterprises aimed at providing training and employment for people with developmental disabilities. Over the years, Vecova has housed a commercial kitchen and a cafeteria, a garage and a gas station, and even a greenhouse. The "sheltered workshop" approach, which was part of Vecova's early years when people with disabilities were employed separately from the rest of the working population, has been entirely replaced with social enterprises that have integration and inclusiveness at their core. In 2013, Vecova's social enterprises provided a total of 56 jobs for people with disabilities. The type of disability employees live with varies, but is primarily developmental disabilities.

Social enterprise is part of Vecova's culture and is considered integral to the organization. All four of the current social enterprises are expressions of Vecova's mission and have emerged organically from within the

organization. These financially self-sustaining social enterprises also further Vecova's mission through contributions of surplus revenue to shared organizational costs. Sales make up 16 percent of Vecova's revenue, and are the second largest financial contributor to the organization after government contracts (76 percent). Any operational shortfalls are addressed through fundraising. The recreation centre and the baggage cart service are profitable, the paper recycling contract breaks even, the pick-up service is brand new so will require some time to break even, and the bottle depot had a small shortfall in 2013.

Vecova's social enterprises

With a portfolio of social enterprises that spans more than three decades, Vecova has become the oft-referenced archetype for social enterprise in the Calgary area. Vecova operates five social enterprises:

1. Beverage Container Recycling Depot (Bottle Depot): Calgary's only nonprofit bottle depot, it has processed over 14 million containers to date;
2. Recreation Centre: The recreation centre, a fully accessible facility, brings the community to Vecova to participate in fitness and recreational activities;
3. Baggage Cart Retrieval Service (Baggage Cart Service): The airport baggage cart service is Vecova's third example of a business that can operate profitably with an integrated workforce;
4. Beverage Container Pick-Up (Pick-Up Service): A free bottle pick-up service that diverts recycling from the landfill and creates jobs for people with disabilities; and
5. University of Calgary (U of C) Recycling: A contract to gather paper recycling at various locations across campus, which provides highly flexible work for people with disabilities.

Bottle Depot

The bottle depot has evolved well beyond its roots as a sheltered workshop and now serves to demonstrate to the rest of the business community that it is entirely feasible to operate a sustainable business with an integrated workforce that includes people with disabilities. To support this core purpose, Vecova does not subsidize wages or employ other practices that would differentiate the depot from its competitors. Employees with special needs are just that: engaged employees—not passive clients—and the bottle depot has been able to demonstrate its ability to successfully compete with other depots in the city. In 2013, 75 percent of the hours worked in the depot were by people with developmental disabilities. In terms of severity of disability, employees need to be able to complete their jobs reasonably independently.

Vecova's focus on systems and processes to drive volume is critical to its success in the highly regulated beverage container recycling industry. With strong business practices as its foundation, Vecova is able to leverage its charitable status as a competitive advantage.

Although many other depots across Calgary accept donations of beverage containers and direct the proceeds to charity, when Vecova accepts donations, the proceeds are directed toward supporting Vecova's mission. Thus when people donate their cans, they forego their deposit return and this money goes to Vecova to fund its operations. Ann-Marie Latoski, director of social enterprise at Vecova, describes the social mission as a draw for customers. "Some people are very loyal to us because they know we employ and support people with disabilities. So they will drive to come to our depot" (Latoski, personal communication, 2012).

Recreation Centre

The recreation centre also has a lengthy history with Vecova. From the outset, Vecova's recreation centre has been offering recreational and therapeutic programs for people with disabilities. Early on, Vecova perceived an opportunity to expand the mandate of the recreation centre, and by the early 1980s the centre was completely open to the public. This expanded mandate has served a dual function for the organization: furthering Vecova's social mission and bolstering the financial viability of the recreation centre.

Like the bottle depot, the recreation centre also leverages Vecova's social mission and charitable status. However, as in the case of the bottle depot, sound business practices are critical in an industry that has tremendously high staffing and facility maintenance costs. Therefore, Vecova's board and senior leadership team must be comfortable making investments that have traditionally been difficult for charities to make, including making expenditures on the necessary facility upgrades and extra staffing required for a recreation centre to be successful.

Marketing has also been critical in recent years, particularly to attract segments of the population that were originally overlooked. The warm pool, used primarily for recreational and therapeutic programs for people with disabilities, also appeals to another, previously untapped customer segment: mothers and babies. Since implementation, programs for this segment have filled up rapidly and are rarely without a waiting list.

Higher margin opportunities exist in the form of facility rentals. There are five larger organizations that run their operations permanently out of Vecova's facility, while approximately 25 smaller groups rent space on a more casual basis.

Baggage Cart Service

The Calgary Airport Authority baggage cart service contract, which is now over fifteen years old, is Vecova's third social enterprise. In fact, it was a customer of the bottle depot who understood Vecova's inclusive approach to employment who suggested that the organization bid on the airport contract. Vecova submitted a proposal and won the ten-year contract in an open competition. A decade later, when the Calgary Airport Authority again invited tenders for the contract, Vecova was the successful bidder for an additional ten-year term.

Pick-Up Service

The most recent addition to Vecova's social enterprise portfolio is a beverage container pick-up service, which launched in 2013. Upon sign up residential and corporate customers are outfitted with bags and a bin, and for every full bag they recycle, customers receive a \$16 tax receipt. The program has grown rapidly to over 3,300 subscribers.

University of Calgary Recycling

The contract for paper recycling at the University of Calgary began in 1997 as a collaboration between Vecova and other agencies working with people with disabilities. Over the years, the other agencies gradually withdrew from the work, leaving Vecova as the sole contractor. Concurrently, the number of buildings at the University of Calgary that Vecova was servicing gradually increased without a corresponding update in the terms of the contract.

In part, the focus on the social side of the contract (the employment opportunities) rather than the business arrangement was a product of the work being organized as part of client services at Vecova. The focus of Vecova's services is to provide supports in all areas of daily living, including employment, such that people with

disabilities can live the life they choose. Therefore, it made sense for the contract to reside in this part of the organization—except for the fact that this arrangement with the University of Calgary held greater potential to further Vecova’s mission if it was managed more as a social enterprise with a dual focus on the financial, as well as the social, outcomes. As a result, in the spring of 2014, the Vecova clients working on this contract were hired as employees of Vecova and the contract itself is being renegotiated.

ON THE MOVE: SOCIAL ENTERPRISES IN MANITOBA

Manitoba’s social enterprises, like those in BC and Alberta, do not exist in a vacuum. Their success (or failure) hinges not only on social needs and market opportunities, but also on the ecosystem of community and government supports around them. The fall of 2013 saw the Manitoba office of the Canadian Community Economic Development Network (CCEDNet – Manitoba) bring together the Social Enterprise Working Group—a group of over 30 social enterprise practitioners and developers—to discuss the opportunities and challenges facing the sector in Manitoba. This conversation reiterated that many social enterprises were facing similar challenges, and reinforced the need for a co-ordinated response to creating a strong ecosystem for social enterprise development.

Government support

The Manitoba government has strengthened the social enterprise sector by implementing progressive legislation and by removing certain financial barriers to social enterprise development. Until recently this support has mostly been ad hoc and reactive. However, CCEDNet – Manitoba found common ground with the province’s interest in supporting the creation of 75,000 jobs by 2020, which led to a commitment in the 2014 budget toward the creation of a jointly constructed strategy to enhance the social enterprise sector (Howard, 2014). Social enterprises that provide job and training opportunities for people with barriers to employment present the province with a unique opportunity to access and develop labour markets that are particularly underserved, while making fiscally sound investments in reducing poverty (Government of Manitoba & CCEDNet, 2015).

The co-created Manitoba Social Enterprise Strategy, released in February 2015, outlines recommended action steps and comparative in- and out-of-province initiatives focusing on six pillars of social enterprise development: enhancing entrepreneurial skills; ensuring access to capital and investment; expanding market opportunities; promoting and demonstrating the value of social enterprise; improving regulatory frameworks; and creating networks and community engagement (Government of Manitoba & CCEDNet, 2015). Responding to a policy resolution clearly outlined by CCEDNet – Manitoba, the strategy uniquely positions Manitoba as a leader and champion in job creation through social enterprise development by ensuring that the policy environment is not creating barriers to social enterprise operations, but is in fact enabling them to achieve their missions (Elson, Hall, Lesson-Klym, Penner, & Wamucii, 2015, in press).

Other provincial initiatives include the creation of financing mechanisms and support for social enterprise solutions to food insecurity. By committing over half a million dollars to social enterprise development in northern communities, the province is enabling social enterprise as an effective way to address multiple social determinants of community health such as unemployment, food insecurity, and poverty (Howard, 2014). Measures such as the Community Economic Development Tax Credit, the Neighbourhoods Alive! Tax Credit, and the Employee Share Purchase Tax Credit provide tools to improve financing options for a variety of

community economic development initiatives that support social and economic opportunities in communities across Manitoba (Elson et al., 2015).

Community support

In addition to this enabling political environment, social enterprises in Manitoba have benefited from the aid of diverse support organizations across the province. CCEDNet—Manitoba has been a catalyst for creating a supportive political environment and a convening body to work toward co-ordinating the system of supports. This work has educated governments regarding the advantages of policies that encourage the sustainability and growth of social enterprises.

CCEDNet – Manitoba convenes the sector, promotes the successes of social enterprise, and builds capacity within organizations and practitioners. CCEDNet – Manitoba’s research activities engage the social enterprise sector through consultation to identify needs, challenges, and potential for growth. As the Manitoban affiliate for enp Canada, CCEDNet has hosted five Build and Grow Your Social Enterprise workshops and awarded over \$99,000 in Social Enterprise Development Grants. Administering the enp MB program has allowed CCEDNet – Manitoba to leverage key resources from a number of important social enterprise sector leaders to begin creating a comprehensive system of support for new and developing social enterprises in Manitoba (enp Canada, 2015b).

Other important ecosystem supports for social enterprise include, but are not limited to, Supporting Employment and Economic Development (SEED) Winnipeg, Local Investment Toward Employment (LITE), Assiniboine Credit Union, and the Jubilee Fund. Groups like these build social enterprise capacity, fundraise, finance, and provide grants to social enterprises as well as contributing to overall sector development through the Social Enterprise Working Group and CCEDNet. For example, since the early 1990s, SEED Winnipeg has engaged in business development and the promotion of local social enterprises and worker co-operatives to pursue its mandate “to combat poverty and promote inner-city renewal through micro and community enterprise development for low income people” (Loxley & Simpson, 2007, p. 24).

LITE has conducted public awareness and education campaigns and programs, and raised community funds to catalyze new social enterprise opportunities. In 2011, LITE adopted the Winnipeg Social Purchasing Portal, first established by SEED Winnipeg, which connects individual and institutional purchasers with social enterprises across the city through an online database. Numerous sectoral associations also provide development support and assistance, including the Manitoba Cooperative Association, the Farmers’ Markets Association of Manitoba, the Manitoba Arts Council, the Manitoba Child Care Association, and many others.

CASE THREE (MB)

Neechi Foods Co-operative Ltd., Winnipeg, Manitoba

Neechi Commons, one of two locations developed by Neechi Foods Co-op Ltd., is a 25,000-square-foot building that is home to various food-related entities and an art store/gallery with an Aboriginal and local/regional focus. Neechi actually means friend, sister, or brother in Ojibway and Cree (Simard, 2010). Opened in 2013, the Commons expands the vision of Neechi Foods Co-operative Ltd., which began 26 years ago and previously operated a grocery store. It is one of the few Aboriginal-led worker co-ops in Canada, elevating personal and social healing through economic empowerment. The co-op’s member workers gain skills and knowledge with training and employment while generating economic opportunities for local producers of goods and services as

Elson, Hall, Lesson-Klym, Penner, & Andres (2015)

well as community enrichment (Bailey, 2015). On Louis Riel Day 2015, February 16, Neechi Foods Co-op Ltd. was honoured by Heritage Winnipeg with its 2015 Special President's Award for the heritage restoration work that went into the creation of Neechi Commons. In 2013 Neechi Foods Co-op Ltd. was the winner of the Excellence in Aboriginal Business Leadership Award from the Asper School of Business at the University of Manitoba (Neechi Commons, 2015b)

Neechi Foods Co-op Ltd. is committed to providing quality products and services, to building a strong co-operative, and to promoting community economic development and opportunities for Aboriginal people (Neechi Commons, 2015b). Neechi sells freshly prepared bannock, wild rice, wild blueberries, freshwater fish, and other Indigenous specialty foods, "homemade" deli products, conventional grocery items, and Aboriginal crafts, books, and music (coopzone, 2011).

Neechi Foods is incorporated as a worker co-operative under the Cooperatives Act of Manitoba. Its membership consists of its staff members, who are each required to hold a member share. Neechi uses the worker ownership business structure to promote a sense of business ownership among the employees and, in turn, to enhance productivity. There are currently 37 full-time staff members, eight part-time (less than 30 hours a week), three full-time volunteers, and one part-time volunteer. The worker co-operative model also favours a strong sense of community identity and responsibility. The co-op has a seven-member board of directors (coopzone, 2011).

Neechi Commons also strives to revitalize commerce in the economically challenged Winnipeg neighbourhood in which it chose to locate. Neechi is the largest commercial employer of Aboriginal people in Winnipeg, which is home to the largest urban Aboriginal population in Canada, or about 75,000 people. The co-op has created upwards of 50 new employment opportunities for Aboriginal youth and other residents of the neighbourhood (Bailey, 2015).

Its work is based on a number of principles, from creating and purchasing locally sourced and produced goods and local reinvestment of surpluses to community-oriented business ownership and creating healthy, sustainable communities. "It brings hope of a different way to organizing economic life that seems to work better in many cases in the Aboriginal community," says Hazel Corcoran, executive director of the Canadian Worker Co-operative Federation, of which the Neechi co-op is an original member (Bailey, 2015, p. 15).

Neechi Commons is not all about food. The "Commons" also hosts the Aboriginal Chamber of Commerce, the Momentum Centre, which helps to transition Aboriginal youth and new Canadians aged 18 to 30 years off employment and income assistance into careers of their choice, as well as numerous community events. Neechi facilitates the learning of hard skills as well as traditional artisan skills, and is both a showcase and source for local and Aboriginal goods and services.

Neechi's transition to the larger, more diversified Neechi Commons from its former smaller space has raised the spectre of balancing the management of operations and finances with the inadequate resources available. Challenges during the construction phase of the new space left the co-op carrying excessive debt and lacking the working capital needed to hire the anticipated staff and to fully develop the business according to plan. This led the Canadian Worker Co-operative Federation to create the Neechi Support Committee, which is helping to source new capital, including grant funding for social enterprises, and to implement plans. Table 2 is a current list of the community and retail services provided by Neechi Commons.

Table 2: Neechi Commons community and retail services

Neechi Niche Arts Store and Gallery	Momentum Centre	Staff development program
Seasonal farmers' market	Aboriginal Arts Centre	Three Sisters Fruit and Vegetable Courtyard
Aboriginal Chamber of Commerce	Come N' Eat Restaurant	Kookum's Bakery
Supermarket	Neechi Foods Co-op	

Neechi hopes to launch an investment share offering (ISO) soon, and it will include a tax credit to Manitobans who invest (Neechi Commons, 2015a). If approved, this would be the second ISO offered by Neechi Foods Co-op Ltd.; the first, in 2012 supported the Commons initiative (Bailey, 2015; Neechi Commons, 2015a).

Comparative developments

Beyond these case studies, distinctive provincial policy, and programmatic histories, what is the collective impact of social enterprises beyond the micro scale? At a provincial level, a different, yet equally interesting picture starts to emerge. To draw such a picture, the only known progressive, systematic, and multiyear survey of social enterprises at a provincial/state level has been underway since 2010, to be concluded at the end of 2015. Across three Western provinces, surveys have been undertaken three times in BC and Alberta (2010, 2012, 2014) and twice in Manitoba (2012, 2014). The surveys have included nonprofit agricultural societies, farmers' markets, thrift stores, museums and galleries, employment and training, and recycling social enterprises. All surveys were conducted by the invitation of and in collaboration with provincial social enterprise partners. All surveys and related reports to date are available at the Social Enterprise Sector Survey website (www.sess.ca). What we present here is a detailed profile of the latest (2014) survey results and some observations for BC, Alberta, and Manitoba.

Limitations

In conducting provincial social enterprise sector surveys over the last five years, we have resisted an exclusively numerical or statistical comparison of social enterprises for three reasons. First, we are only too aware that our knowledge of the collective impact of social enterprises is in its infancy and, while we have had an excellent response as shown below in Table 3, the results only speak to the impact of the social enterprises that responded to the survey, and not the social enterprise sector as a whole. Both resources and time limited our capacity to identify all social enterprises, although a substantial majority (in excess of 80 percent) of social enterprises within any one category was identified (e.g., thrift stores, farmers' markets). The response rate, although excellent for a survey of this type (ranging from 21.9 percent in BC, 30.5 percent in Alberta, to 41.0 percent in Manitoba), does not allow us to predict what the remaining non-responding social enterprises would have reported, had they done so. Second, not all responding social enterprises provided complete financial data and our financial analysis was restricted to those that did.

Third, we now appreciate the tremendous contextual variations that exist across provinces and territories, and often within these regions (e.g., core urban/suburban/rural, French/English). These contextual differences should not be dissociated from the quantitative analysis; they may be geographic or linguistic, but they are also

historic and economic, cultural and political. The complexity of this level of analysis is beyond the scope of this article, but the profiles of developments in British Columbia, Alberta, and Manitoba are designed to make this point.

That being said, there are some comparative statistical highlights we would like to draw to your attention (see Table 3).

Statistical highlights

First, there are more new social enterprise respondents in British Columbia than was the case in the previous provincial survey in 2012. The timing of the median age of social enterprises (18 years old in 2015) coincides with the formation of Enterprising Non-Profits (enp BC) in 1997. While we cannot determine any strict causal relationship, this speaks to the value of a dedicated social enterprise “hub” to inform and educate practitioners, policy makers, the media, and the general public.

Most social enterprises report that they target multiple population groups (2–6), with an average of over 4 populations. There are indications that some rural social enterprises in the Canadian West share this commitment to serving whole communities; urban-based social enterprises tend to specialize in serving particular population groups, often providing them with meaningful employment. This is significant as it moves a person who historically would be seen as a “passive client of services” to an “engaged employee in service to others.” Those employed from a target group average of 21.5 (with range 11.7–35.8) per social enterprise. Half of BC’s social enterprises focus on addressing barriers to employment—and also employ target group members at an average of 41 per social enterprise. Alberta is below the reported average on social enterprises that focus on employment, at only 31 percent. However with respect to overall employment, on average, Alberta social enterprises hire more people.

This suggests that there is a qualitative difference in the mix of social enterprises in these two provinces: smaller, employment-intensive social enterprises in British Columbia and larger organizations in Alberta. Thus hiring of target populations in Alberta would appear to be the result of the size of the social enterprise, rather than being an explicit goal. Employment development is the purpose of over 30 percent of BC social enterprises (see Table 3 and training is the focus of 23 percent of BC social enterprises).

Survey findings across Canada confirm that while earned revenue is an important motivation for establishing social enterprises, relatively few social enterprises exist primarily to generate revenue for their parent organizations. Less than 30 percent of Western Canadian social enterprises indicate that one of their purposes is to generate revenue for a parent organization (e.g., thrift stores, YMCA/YWCA programs), and we would classify only one-tenth as being primarily driven by income generation. While making money is certainly an important dimension of operating a successful social enterprise, by definition this revenue generation is blended with a social, environmental, or cultural purpose.

Note that these “purposes,” in this particular analysis, are not mutually exclusive. Almost 80 percent of social enterprises, consistently across all provinces, report that they are engaged in a “social” mission; those engaged in a cultural mission range from 49 percent to 64 percent. Social enterprises with an environmental mission (e.g., recycling) consistently average about 25 percent of social enterprises across all surveyed provinces. More than half of social enterprises are also registered charities, which suggests that retaining the ability to raise revenues through donations and grants from foundations remains an important option for many in the sector.

Elson, Hall, Lesson-Klym, Penner, & Andres (2015)

Who gets served? Almost 65 percent of social enterprises serve everyone in a community. Youth and young adults are targeted by 40 percent of social enterprises, likely due to the prevalence of employment training programs for this population, which experiences unacceptable unemployment rates. More than 25 percent of social enterprises across Canada collectively serve the following target groups: youth, women, seniors, people living with physical disabilities, men, lower-income individuals, families, children, and First Nations/indigenous people.

This almost national-in-scope statistical comparison suggests that across Canada, social enterprises are similar in some structural terms, but further probing will point to particularities at the provincial level, which in turn can mask the truly great diversity of social enterprises. We next highlight key survey results for each of the three surveyed Western provinces.

Table 3: Summary statistics for 2014 social enterprise surveys

	AB (n = 101)	BC (n = 121)	MB (n = 111)
Demographic profile			
Year of formation: median	1984	1997	1985
Year of first sale: median	1988	2000	1988.5
Number of business sectors (1–17): average	1.7	1.9	1.9
Number of targeted populations (0–17): average	4.3	5.4	4.3
Individual members: average in 2013	67.6	150.5	255.2
Organizational members: average in 2013	22.4	14.0	6.9
Trained: average for 2013	464.6	43.8	88.9
Employed (from target group): average for 2013	35.8	11.8	37.5
Served: average for 2013	6916.9	8109.4	7688.5
Full-time Equivalent employees: average in 2013	28.4	9.0	19.4
Volunteers (full-time and part-time): average in 2013	175.6	50.0	75.2
Total expenditures: \$ average in 2013	694,164	764,304	695,395
Total wages and salaries: \$ average in 2013	404,792	396,916	407,895
Total revenue: \$ average in 2013	702,900	792,895	750,792
Revenue from sales of goods and services: \$ average 2013	407,690	611,256	579,614
Revenue from grants and donations received from parent organization: \$ average 2013	17,624	28,090	6,894
Revenue from grants and donations from other organizations and private individuals: \$ average 2013	138,954	112,020	108,654
Revenue exceeds expenses in 2013: percent	76.4	80.9	80.0
Sales as percent of revenue: average per organization 2013	46.6	60.7	57.0
Revenue less grants/loans/donations exceeds expenses in 2013: percent	34.8	33.7	28.9
Purpose (percent of social enterprises):			
Employment development	19.8	32.2	33.3
Training	14.9	23.1	29.7
Income generation for parent organization	22.8	22.3	29.7
Social mission	79.2	82.6	77.5
Cultural mission	64.4	48.8	58.6
Environmental mission	24.8	28.1	24.3
Legal structure (percent of social enterprises):			
Nonprofit legal structure	96.0	90.1	86.5

Elson, Hall, Lesson-Klym, Penner, & Andres (2015)

	AB	BC	MB
Registered charity	61.0	65.5	51.8
Co-operative (distributing)	3.0	0	1.0
Co-operative (non-distributing)	4.0	2.5	9.0
Target groups (percent of social enterprises):			
All the people living in a particular place/community	73.3	65.3	63.1
First Nations/indigenous people	25.7	41.3	34.2
Children	47.5	40.5	25.2
Ethnic minority	21.8	29.8	24.3
Families	42.6	37.2	25.2
People who are homeless	8.9	20.7	11.7
Immigrants	15.8	22.3	23.4
Lower-income individuals	23.8	38.8	31.5
Men	29.7	33.9	28.8
People living with addictions	8.9	22.3	13.5
People living with employment barriers	17.8	30.6	22.5
People living with psychiatric disabilities	13.9	28.1	16.2
People living with intellectual disabilities	14.9	31.4	26.1
People living with physical disabilities	20.8	33.1	24.3
Refugees	7.9	9.9	12.6
Senior/aged/elderly	41.6	37.2	33.3
Women	36.6	41.3	35.1
Youth/young adults	49.5	43.8	36.9
Sector of products and services sold (percentage)			
Resources, production, construction	16.8	25.6	26.1
Trade, finance	13.9	24.8	27.9
Real estate	8.9	14.0	18.0
Accommodation, food, tourism	60.4	43.8	45.0
Health and social services	18.8	24.0	15.3
Art, culture, communication	35.6	36.4	45.9
Other services	15.8	19.8	15.3
Active in two or more sectors (above)	46.3	58.7	54.4
Focus * (a percent of SEs)			
Employment	30.7	50.4	45.0
Poverty	42.6	61.2	57.7
Disability	25.7	43.0	30.6
Mission ** (a percent of SEs)			
Mission focused	67.3	54.5	51.4
Income focused	9.9	11.6	12.6
Multipurpose	22.8	33.9	36.0

Notes: * Employment focus: social enterprise has employment/training purpose, or targets people with employment barriers. Poverty focus: social enterprise has an employment/training purpose, or targets people with employment barriers, or who are low income or homeless. Disability focus: serves those with physical, intellectual, and/or psychological disabilities.

** Mission: three mutually exclusive categories to classify social enterprises based on their stated purposes:

- Income focused: defined as an organization with a singular purpose (income generation). These organizations may also combine income generation with up to two other purposes, whether it is an employment, social, cultural, or an environmental purpose.

Elson, Hall, Lesson-Klym, Penner, & Andres (2015)

- Mission focused: an organization with a social, cultural, and/or environmental focus and that has neither income generation nor employment as an additional focus.
- Multipurpose: an organization that has combined, multiple purposes, most often including the intent of creating employment opportunities.

British Columbia social enterprise profile

Our initial research findings from the 2014 Social Enterprise Sector Survey in BC indicate there may be over 1,000 social enterprises in the province, but this number was reduced to a list of 744 confirmed social enterprises after we conducted further screening to confirm if the organizations operated as social enterprises during the study period. We received responses from 163 of these social enterprises (for a valid response rate of 22 percent), but report the data from 121 respondents who provided sufficiently complete responses. As noted, the findings from BC and other provincial surveys cannot be considered a definitive reflection of all social enterprise sector activity in any particular province or territory.

Social enterprise impact, BC

Social enterprises engage people in multiple ways, unlike the more confined employee and client relationships in a traditional business. The same individual may have multiple, intersecting connections to a social enterprise, as member, recipient of training, employment, and services, or employee or volunteer:

- Social enterprises in BC have an average of 150 individual members and 14 organizational memberships. Overall, the responding social enterprises in BC total at least 17,800 individual members and 1,650 organizational memberships.
- Social enterprises provided paid employment for at least 1,900 workers (representing 944 full-time equivalent employees) in BC. This includes full-time, part-time, seasonal, and contract workers, who together earned over \$37 million in wages and salaries. Full-time, part-time, and seasonal workers represent an estimated 940 full-time equivalent employees (FTE). This represents almost \$40k per annum per FTE, although actual earnings per worker are about \$19k per annum. The relatively high earnings of social enterprise employees in BC warrant further investigation.
- Those employed include 1,260 people who were employed as part of the mission of the social enterprise, such as those with disabilities and/or other employment barriers.
- Social enterprises also involved 4,700 full-time and part-time volunteers.
- In addition, social enterprises provided training to 4,640 people and provided services to over 860,000 people.

Alberta social enterprise profile

Like BC, this social enterprise sector survey is the third profile of social enterprises in Alberta, building on the previous report surveys completed in 2010 and 2012. Surveyed in 2014, the 101 responding enterprises in Alberta reported to have generated at least \$57 million in revenues, including at least \$32 million in sales in 2013. They paid at least \$28 million in wages and salaries to 3,590 employees (2,330 FTEs). They also trained 41,350 people, provided services to over 615,600, and involved 9,480 volunteers.

Our initial research findings indicate there may be as many as 393 social enterprises in Alberta. This number was reduced to a list of 383 confirmed social enterprises after we conducted further screening to determine if organizations still operated as social enterprises. We successfully surveyed 117 of these social enterprises, for a valid response rate of 30.5 percent.

Social enterprise impact, AB

Social enterprises engage people in multiple ways, unlike the more confined employee and client relationships in a traditional business. The same individual may have multiple, intersecting connections to a social enterprise, as a member, recipient of training, employment, and services, or employee or volunteer.

Social enterprises in Alberta have an average of 68 individual members and 22 organizational memberships. Overall, the responding social enterprises in Alberta have at least 5,550 individual members and 1,860 organizational memberships.

Social enterprises provided paid employment for at least 3,590 workers in Alberta. This includes full-time, part-time, seasonal, and contract workers, who together earned at least \$28 million in wages and salaries. Full-time, part-time, and seasonal workers represent an estimated 2,330 full-time equivalent employees.

- Those employed include 3,190 people who were employed as part of the mission of the social enterprise, such as those with disabilities and/or other employment barriers.
- Social enterprises also involved 9,480 full-time and part-time volunteers.
- In addition, social enterprises provided training to 41,350 people and provided services to over 615,600 people.

Manitoba social enterprise profile

In 2013, the 125 responding enterprises in Manitoba reported to have generated at least \$63.6 million in revenues including donations and grant, and at least \$49.3 million in sales. They also trained 8,350 people, provided services to over 730,000, and involved 6,840 volunteers.

Social enterprise impact, MB

- Social enterprises engage people in multiple ways, unlike the more confined employee and client relationships in a traditional business. The same individual may have multiple, intersecting connections to a social enterprise, as member, recipient of training, employment, and services, or employee or volunteer.
- Social enterprises in Manitoba have an average of 255 individual members and 7 organizational memberships. Overall, the responding social enterprises in Manitoba have at least 25,770 individual members and 705 organizational memberships.
- Social enterprises provided paid employment for at least 4,450 workers (1,780 FTEs) in Manitoba. This includes full-time, part-time, seasonal, and contract workers, who together earned at least \$34.4 million in wages and salaries. Full-time, part-time, and seasonal workers represent an estimated 1,780 full-time equivalent employees.
- Responding social enterprises reported that they had employed at least 3,550 people as a part of the mission, such as those with disabilities and/or other employment barriers in 2013.
- Social enterprises also involved 6,840 full-time and part-time volunteers.
- In addition, social enterprises provided training to 8,350 people and provided services to over 730,000 people.

CONCLUSION

This article has presented a partial profile of social enterprises in Western Canada. This picture is appropriately incomplete, but an accurate snapshot of the “state of the art” of this dynamic sector. No systematic survey of social enterprises has taken place in Saskatchewan, although one is planned. We certainly hope, over time, that a more robust picture will emerge, not only in Western Canada, but across Canada as a whole.

Meanwhile the available comparative statistics, profiles, and analysis provide a current profile of the impact of social enterprises in Western Canada, as reflected in Table 3, and elsewhere. The series of social enterprise sector surveys over the past six years in Western Canada—three in BC and Alberta and two in Manitoba—was initiated before the International Comparative Social Enterprise Models (ICSEM) project was launched. The surveys reveal important parallels and differences across Canadian provinces. The social enterprise sector surveys are designed as a community development tool. Each survey is undertaken only where we have been invited by leading social enterprise proponents within a particular province or territory to participate. It is a collaborative process and is designed to support the building of a more robust and productive social enterprise community.

The ICSEM Project is designed as a researcher-led project to identify and document different models of social enterprise across multiple countries. To this end, the three case study profiles in this article contribute to this international comparative analysis. There are some observations to be made based on our six years of experience working with social enterprise leaders across Canada. The first is that the evolution of social enterprises in Western Canada is driven by and through leaders at the community level. Governments and researchers are catching up to support actors in this play. The second is that the social enterprise sector survey demonstrates that the nonprofit form is a robust and appropriate corporate form to engage in an integrated blend of market activity and social, environmental, or cultural purposes. Third, there is scale to the impact of social enterprises. Not scale in the sense that enterprises get ever larger, although that may be the case in some instances, but scale in the sense that there is a collective impact of multiple social enterprises that can only be seen through surveys at a provincial level. This has been partially demonstrated in Table 3, and more provincial surveys are planned in the year ahead. Finally, the most poignant contribution that social enterprises are making is not in their number, type, market share, or balance sheet, but in the lives of those they train and employ, and to whom they provide services.

ACKNOWLEDGEMENTS

The authors would like to express their appreciation to the organizations that supported this research, including the Institute for Community Prosperity, Mount Royal University, Simon Fraser University, enp Canada, Employment and Social Development Canada, and our fabulous community partners at enp BC, the Trico Charitable Foundation, and CCEDNet – Manitoba. We also appreciate the feedback received from the two anonymous reviewers.

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Indigenous Communities and Social Enterprise in Canada

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ABSTRACT

This article seeks to understand Indigenous social enterprise in a “current state snapshot” and in a complex historical context. Specifically, the authors begin by placing into theoretical context social enterprises serving Indigenous communities. The framework for Indigenous social enterprise is related to theories of Indigenous entrepreneurship and “quadruple bottom line” organizations. The authors explain the role of culture as an under-researched element and as a critical component of Indigenous social enterprise. The article also highlights gender leadership of social enterprise in Indigenous communities. Finally, the article provides three case studies that exemplify Indigenous social enterprise in Canada.

RÉSUMÉ

Dans cet article, les auteurs cherchent à comprendre les entreprises sociales autochtones dans leur état actuel ainsi que dans la complexité de leur contexte historique. Plus précisément, les auteurs commencent leur article en situant dans un contexte théorique particulier les entreprises sociales desservant les communautés autochtones. Le cadre utilisé pour décrire ces entreprises a des liens avec des théories sur l'entrepreneuriat autochtone et sur les organisations à quadruple résultat. Ensuite, les auteurs représentent la culture comme étant à la fois un élément insuffisamment étudié et une composante critique de l'entreprise sociale dans un milieu autochtone. D'autre part, ils rendent compte de la prédominance des leaders féminins dans ces entreprises. Finalement, ils présentent trois études de cas illustrant l'entreprise sociale autochtone au Canada.

KEYWORDS / MOTS CLÉS : Indigenous; Aboriginal; First Nations; Entrepreneurship; Culture; Social enterprise; Canada / Autochtone; Aborigène; Premières Nations; Entrepreneuriat; Culture; Entreprise sociale; Canada

INTRODUCTION

Indigenous communities in Canada include First Nations, Metis, and Inuit communities. Social enterprise in Indigenous¹ communities in Canada is shaped by population and geographic distribution, history of colonization, and local and global economic factors. The Indigenous population of Canada consists of 4.3 percent of the total population and, according to the most recent national census, is the fastest growing population group in Canada (Turner, Crompton, & Langlois, 2011). There are more than 600 Indigenous communities spread geographically across the country, each with unique relationships to three components: the land; municipal, provincial, and federal governments; and non-Indigenous communities. Some communities exist across provincial and international boundaries, having relationships with multiple state and national governments. Many Indigenous communities dispute jurisdiction over traditional land by all three levels of government and, therefore, can often have an oppositional relationship with those governments. The diversity of Indigenous communities has led to the formation of a wide range of social enterprise interactions; this has substantially influenced the development of social enterprise and the broader social economy across Canada.

The Indigenous social economy in Canada plays a significant role in local economies. It includes multi-tiered cooperatives such as Arctic Cooperatives Limited (ACL) (Quarter, Mook, & Armstrong, 2009); community-owned organizations such as the Osoyoos Indian Band Development Corporation (Anderson, Dana, & Dana, 2006); the corporate division of the Membertou Band (Johnstone, 2008); and numerous forms of Indigenous-based social-purpose businesses (Quarter, Mook, & Armstrong, 2009). The leadership of social enterprise intersecting with Indigenous communities can take different forms. A number of social enterprises, which were started by non-Indigenous individuals, are now led by Indigenous individuals, such as ACL. Indigenous community members have also started and continue to manage a broad range of social enterprises throughout Canada. At the same time, there is a significant proportion of social enterprise in Canada that serves Indigenous populations but that is not led or managed by Indigenous individuals.

Although there is a substantial volume of research on Indigenous populations, the relationship between Indigenous communities and social enterprise within the broader social economy is an under-researched area (Wuttunee, 2009). The purpose of this article is to contribute to this nascent body of research.

Indigenous population and geographic distribution

The geographical distribution of Indigenous communities in Canada is relevant to the understanding of Indigenous social enterprise. Although the province of Ontario has the highest Indigenous population in absolute numbers, the Indigenous population forms only 2 percent of Ontario's total population. Indigenous populations form a higher percentage of the territories of Nunavut (86%), Northwest Territories (52%), and the Yukon (23%), as listed in Table 1 (Turner, Crompton, & Langlois Canada, 2011).

The variety of Indigenous people's experiences with colonization has deeply affected the subsequent development of Indigenous social enterprise throughout Canada. This development has been different for each province and territory. In southern First Nations communities, European farmer-based cooperatives were utilized as a tool of colonization by solidifying European settlement over traditional First Nations land, simultaneously excluding First Nations people from involvement in these cooperatives. As described by Fairbairn (2004), initial cooperative development in Canada and all of North America was not inclusive of, or intended for, the benefit of Indigenous communities. In contrast, cooperatives in northern Inuit communities were not established as bottom-up European settler-based organizations, but were top-down, government-

initiated structures utilized for creating dependent classes and effectively limiting the movement of traditionally nomadic communities (Mitchell, 1996). As a result, Canadian formal cooperative business structures were incorporated in the northern territories several years after cooperative structures were established in the southern provinces. In contrast, the current establishment of cooperatives in Canada's northern territories within Inuit communities (per capita) is the highest among the country's Indigenous communities (Belhadji, 2001). The growing population of Indigenous communities, as well as the increasing proportions of Indigenous populations in many provinces, is likely to have a profound effect on the number and diversity of social enterprises in Canada.

Table 1: Population and percentage of Indigenous people by province and territory in Canada, 2011

Province or territory	Population count (in thousands)	Percentage
Newfoundland and Labrador	36	7.1
Prince Edward Island	2	1.6
Nova Scotia	34	3.7
New Brunswick	23	3.1
Quebec	142	1.8
Ontario	301	2.4
Manitoba	196	16.7
Saskatchewan	158	15.6
Alberta	221	6.2
British Columbia	232	5.4
Yukon	8	23.1
Northwest Territories	21	51.9
Nunavut	27	86.3
Canada	1,401	4.3

Social enterprise surveys and Indigenous social enterprise

Recently, a number of broad provincially based social enterprise surveys have been utilized toward the development of the British Columbia and Alberta Social Economy Research Alliance project (BALTA). The project's purpose is to highlight the importance of interactions between social enterprise and Indigenous communities in Canada. In surveys, Hall, Elson, and Wamucii (2013) indicate that 37 percent of Alberta's and 33 percent of British Columbia's social enterprises served Indigenous clients (2014a). Related reports indicate the following percentages of surveyed social enterprises that served Indigenous communities in other provinces: 29 percent in Manitoba (O'Connor, Elson, Hall, & Reimer, 2012); 28 percent in New Brunswick (Hall, Elson, & Wamucii, 2014b); 16 percent in Nova Scotia (Tarr & Karaphylis, 2010); and 22 percent in Ontario (Flat, Daly, Elson, Hall, Thompson, & Chamberlain, 2013). Table 2 summarizes the findings of each provincial survey in comparison to the previously reported Indigenous population (Turner, Crompton, & Langlois, 2011), indicating a pattern of engagement between Indigenous communities and social enterprise in Canada that is proportionally much greater than the Indigenous population.

Indigenous communities in other provinces: 29 percent in Manitoba (O'Connor, Elson, Hall, & Reimer, 2012); 28 percent in New Brunswick (Hall, Elson, & Wamucii, 2014b); 16 percent in Nova Scotia (Tarr & Karaphylis, 2010); and 22 percent in Ontario (Flat, Daly, Elson, Hall, Thompson, & Chamberlain, 2013). Table 2 summarizes the findings of each provincial survey in comparison to the previously reported Indigenous population (Turner, Crompton, & Langlois, 2011), indicating a pattern of engagement between Indigenous communities and social enterprise in Canada that is proportionally much greater than the Indigenous population.

Table 2: Indigenous population and social enterprise serving Indigenous communities, select provinces in Canada

Province or Territory	Indigenous population, 2011 (in thousands)	Indigenous population, 2011 (percentage)	Social enterprise serving Indigenous communities* (percentage)	Year of social enterprise survey
Nova Scotia	34	3.7	16	2010
New Brunswick	23	3.1	28	2014
Ontario	301	2.4	22	2013
Manitoba	196	16.7	29	2012
Alberta	221	6.2	37	2013
British Columbia	232	5.4	33	2014

* Note that given the exclusion of band-owned organizations from the provincial social enterprise surveys, the reported numbers for social enterprise are likely to under-represent the percentage of social enterprises serving Indigenous populations.

One explanation for this strong relationship between social enterprise and Indigenous communities is that social enterprises serve marginalized populations, and Indigenous populations do face multiple forms of marginalization in Canada. Ornstein (2006) analyzed the “vertical mosaic” or socio-economic profile of various ethno-racial groups in Toronto, Canada’s largest city. Toronto is also the city with the largest Indigenous population, and Ornstein found that the Indigenous community experienced the greatest level of socio-economic marginalization. This finding is confirmed by more recent and detailed research provided by the Toronto Aboriginal Research Project (Toronto Aboriginal Support Services Council, 2011). For example, the Toronto Aboriginal Support Services Council (2011) reported that Indigenous individuals constitute 29 percent of the homeless population in Toronto, but only 2.5 percent of the general population in the city. Further, Fleury (2002) found that Indigenous people living off-reserve are one of the groups at highest risk of social exclusion in Canada. More broadly, Indigenous communities across Canada face a number of socio-economic issues related to poverty, deeply rooted in colonialism, which ultimately results in a reduced average lifespan compared to non-Indigenous populations (Palmater, 2011). The Indigenous community is diverse, not only in terms of demographics, but also in terms of socio-economic conditions. The First Nations communities of Membertou in Nova Scotia (Johnstone, 2008) and Osoyoos in British Columbia (Anderson, Dana, & Dana, 2006), for instance, are relatively economically successful (in part due to their community-owned social enterprise strategies), whereas many other communities face persistent socio-economic issues.

Given this range of issues, a clear distinction needs to be made between the different types of social enterprises within Indigenous communities. There are five basic types of Indigenous social enterprise organizations, based on leadership and clientele:

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1. Social enterprise led by Indigenous individuals exclusively serving Indigenous clients.
2. Social enterprise led by Indigenous individuals serving Indigenous and non-Indigenous clients.
3. Social enterprise led by non-Indigenous individuals exclusively serving Indigenous clients.
4. Social enterprise led by non-Indigenous individuals serving Indigenous and non-Indigenous clients.
5. Social enterprise led by non-Indigenous individuals exclusively serving non-Indigenous clients (these are ethno-specific organizations, such as a Ukrainian credit union).

The fourth type of social enterprise is the most prevalent type interacting with Indigenous communities in Canada, as demonstrated by provincial social enterprise surveys. There are two significant issues with non-Indigenous origins of social enterprise affecting Indigenous communities. The first, rooted in colonial ideology and practice, is a “deficit”-based viewpoint, where Indigenous communities are perceived as requiring external “help.” The strengths of Indigenous communities are undervalued, and solutions from non-Indigenous origins are overvalued. Second, this view of social enterprise is based on a market failure or “heterogeneity” theory (Salamon, Sokolowski, & Anheier, 2000), which positions social enterprise as a response to market failures and fills gaps where a purely market-based system was ineffective. Given this, Salamon, Sokolowski, and Anheier (2000) suggest that a more appropriate model for understanding the development of social enterprise is a “social origins” theory of the civil sector (p. 15), which we find relevant, but ultimately inadequate, for re-conceptualizing appropriate forms of social enterprise in Indigenous communities.

A “social origins” theory of social enterprise assumes that development in social enterprise in broader Canadian society is mirrored by development in Indigenous communities. This theory does not adequately account for racial or ethnic differences. In the book *The Revolution Will Not be Funded: Beyond the Non-Profit Industrial Complex* (Incite! Women of Color Against Violence, 2007), the authors make the case that the mainstream civil sector often acts against Indigenous interests and requirements for fluid organizational coalitions needed to move toward the goals of Indigenous self-determination and sovereignty. While having a significant presence in Indigenous communities, the development of social enterprise in these communities has not necessarily paralleled the trajectory of the growth of social enterprise or the broader social economy in non-Indigenous communities in Canada. In conjunction with what is increasingly viewed as population genocide and the historical suppression of Indigenous culture, different types of long-established Indigenous entrepreneurship, including socially oriented Indigenous enterprises, were historically suppressed, limiting the formation of traditional Indigenous organizations for a long period of Canadian history (Carter, 1990). Rather than a “social origins” theory, then, more appropriate models for describing Indigenous social enterprise include “Indigenous entrepreneurship” and “quadruple bottom line organizations,” which will be explained in detail in the conceptual analysis section.

Quantifying Indigenous social enterprise

Statistics indicate the significant differences between Indigenous and non-Indigenous communities based on the following factors: race, education, child care, food security, health, housing, emergency services, employment, environmental pollution, access to financial services (Palmer, 2011), and other types of services that typically involve social enterprise. As such, statistics of the Indigenous community in Canada should be interpreted with caution; the collection of Indigenous population statistics has not generally benefited Indigenous communities. Indeed, as highlighted by Walter and Anderson (2013), all statistics have value systems embedded in the collection and use interpretation that is entrenched within them. With these caveats in mind, in this section we review the few attempts at quantifying Indigenous social enterprise in Canada.

In terms of quantifying social enterprises in Indigenous communities, it is important to recognize the legal organizational structures followed by different Canadian governments and researchers. These have proven to be a source of weakness in accounting for the environment of Indigenous social enterprise. First, there is no nationally recognized status for social enterprise, making the measurement of social enterprise numbers particularly difficult. Social enterprise organizations can be incorporated as nonprofit or for-profit entities, and simultaneously can be incorporated as cooperatives. Second, the type of business that can be considered an Indigenous social enterprise is contested. Quarter, Mook, and Armstrong (2009), for instance, included cooperatives such as Arctic Cooperatives Limited (ACL) and Indigenous band-owned businesses, such as Makivik Corporation, in the definition of social economy organizations. Hammond-Ketilson and MacPherson (2001) completed a survey and research-based study of formally incorporated Indigenous cooperatives, which can be considered social economy businesses and social enterprises (Quarter et al., 2009). However, there are a large number of Indigenous organizations that exhibit characteristics of cooperatives but are not formally registered as cooperatives. For example, Indigenous drumming groups as described by Tulk (2007), singing groups, and artist collectives exhibit collective ownership and operation principles similar to cooperatives but are not typically incorporated.

The primary objective of Indigenous drumming, singing, and other cultural groups is the maintenance of culture, and revenues are typically earned as a secondary objective to cover costs. Many of these groups are not formally incorporated with federal or provincial governments and earn revenues in the grey market, thus making qualification of these groups more difficult. The broad BALTA project surveys of social enterprise in Canada reviewed in section 1.2 did not include Indigenous band-owned organizations, although these organizations also provide goods and services similar to other social enterprises across Canada (Quarter et al., 2009). Indeed, Anderson, Dana, and Dana (2006) argue that the majority of Indigenous economic activity should be considered to be social enterprise. Anderson et al. (2006) argue that Indigenous businesses employ Indigenous individuals who are marginalized, and therefore would fit the definition of social enterprises that employ marginalized groups. Anderson et al. (2006) further contend that the fact that many Indigenous businesses are owned by the band rather than an individual strengthens the case that these organizations are community owned and operate for the benefit of the community. Different subsectors of Indigenous economic activity have also been studied. For example, the Canadian Council for Aboriginal Business surveys Indigenous business, but does not include many types of nonprofit organizations (CCAB, 2011). Other than the study on Indigenous cooperatives by Hammond-Ketilson & MacPherson (2001), which is specific to cooperatives, there exists no *comprehensive* inventory of Indigenous social enterprise in Canada, due to the issues outlined in this section.

A further wrinkle in attempting to account for Indigenous social enterprise—especially using non-Indigenous concepts, models, and taxonomies—rests with the issue that social economy organizations started and developed by Indigenous communities are qualitatively different from other social economy organizations across Canada (Diamantopoulos & Findlay, 2007). Moreover, qualitative differences from non-Indigenous social enterprise can teach us much about broader possibilities for the model. An initial literature review of social enterprise in Indigenous communities reveals innovative combinations of social, environmental, and cultural goals, which can be instructive for social enterprise models used elsewhere. For example, the integration of culture into organizational and socio-economic goals has been described by Findlay and Wuttunee (2007), and the use of “quadruple bottom line” indicators (economic, social, environmental, and cultural) has been described by Orr, Weir, and the Atlantic Aboriginal Economic Development Integrated Research Program (2013), a topic addressed in this article. Cornthassel (2008) described Indigenous communities’ “sustainable self determination” as holistic integration of cultural and environmental values and that described how economic, social, cultural, and environmental values are not separable for Indigenous communities.

Social economy leadership in Indigenous communities is also markedly different in terms of leadership by gender, with a greater percentage of social economy organizations in Indigenous communities being led by women (National Association of Friendship Centres, 2013a) (see “Leadership of Indigenous social enterprise through the lens of gender” below for more details on this unique feature of Indigenous social enterprises). “Wicked problems,” by their very nature, cannot be resolved by a single individual or by one a singular solution that fits all contexts (Buchanan, 1992). Thus, the solutions to many wicked problems may be found in understanding the qualitatively different set of values used as a basis for Indigenous knowledge and applied to the development of Indigenous social economy organizations.

HISTORICAL, IDEOLOGICAL, AND COLONIAL CONTEXTS OF INDIGENOUS SOCIAL ENTERPRISE IN CANADA

The history of Indigenous communities over the past few centuries is inseparable from their relationships to the land and to non-Indigenous settlers. The history of social enterprise in Canada is also inseparable from the history of Indigenous communities. Indigenous communities have always practised communal forms of organization, where the entire community shares resources and production requirements. As described in a comparative review of the Canadian nonprofit and voluntary sector: “The earliest voluntary activity in Canada occurred among the Aboriginal peoples who inhabited the land for thousands of years prior to European settlement” (Hall, Barr, Easwaramoorthy, Sokolowski, & Salamon, 2005, p. 21). This conclusion is supported within the context of cooperatives by Curl (2012): “The first North Americans to practice collectivity, cooperation, and communalism were, of course, Indigenous” (p. 15). Originating in nineteenth-century France, one of the earliest twentieth-century applications of the term “social economy” was by the Swedish anthropologist Kalervo Oberg in 1931. While researching Tlingit communities in Alaska, Oberg described an economy that integrated social values into daily production and consumption activities. The communitarian value system that sustained Indigenous communities for a long period of time can be seen reflected in Indigenous organizations, including social enterprise.

Social enterprise in Canada through the lens of race

The social economy in Canada is often described through a framework of issues arising from income inequality and class relations; social enterprise is positioned as one possible solution to these issues. The development of the social economy is rarely analyzed through a framework of race, ethnicity, and nationality. As the social economy (or civil sector) was developed in Canada in settler communities, there was a simultaneous suppression of Indigenous community populations, economies, organizations, and culture—through outright warfare, social dislocation to reserves, and residential schools. The development of cooperatives illustrates this intersection of class and race in the development of the social economy in Canada. In an extensively researched book, *Empire and Cooperation: How the British Empire Used Cooperatives in Its Development Strategies, 1900–1970*, Rhodes (2012) describes how cooperatives were a more socialist, labour-oriented form of organization and were instrumental in establishing trade across the British Empire. Just as cooperatives were integral to the British Empire and global colonization, they were important to Canada’s federal and provincial governments in local colonization of Indigenous communities.

As Fairbairn (2004) has also shown, cooperatives were an integral part of the process of colonization in North America. Cooperatives in North America were based on the experience of European immigrants and were an economic response to monopolies, established by the ruling class and political elites, which did not serve the

needs and aspirations of lower-class European immigrants. However, initial cooperative development in Canada and in most of North America was not inclusive of, or intended for, the benefit of Indigenous communities (Fairbairn 2004). The first organizations with cooperative characteristics were established in English Canada in the late 1800s and early 1900s (Macpherson, 1979). While Indigenous communities had been practising cooperative forms of organization for centuries before European contact, the first *incorporated* Indigenous cooperative in Canada was in the province of Saskatchewan in 1945, as part of post-war development by settler communities. This was one of several top-down government-driven initiatives. Another example is the Kinoosao cooperative organization of Saskatchewan (see Quiring, 2006, 2007 for details), which, from the beginning, was set up without any substantial consultation with the local Indigenous communities.

Mitchell (1996) describes the top-down government-led establishment of cooperatives across northern Canada as an instrument for settling semi-nomadic Indigenous populations and creating economic dependency. The development of social enterprise including cooperatives exhibited ethnicity-based dynamics within European settler society itself. For instance, there are important differences between organizations originating from English, Irish, Scottish, and French communities, and organizations formed by eastern and northern European immigrants. In most cases the same organizational forms such as cooperatives, which enabled establishment of collective worker or consumer power within settler societies, also consolidated settlement of traditional Indigenous land and restriction of Indigenous economic activity. An analysis of the history of social enterprise in Canada solely based on class dynamics, without an analysis of the simultaneous intersection of race dynamics, is therefore insufficient for explaining the development of Indigenous social enterprise.

Leadership of Indigenous social enterprise through the lens of gender

The effects of colonization and poverty have varied depending on gender and age. Women and youth face additional socio-economic disadvantages within the Indigenous community (Kuokkanen, 2011). Kuokkanen (2011) suggests that the social economy, and specifically the role of women in the social economy, is an integral part of revitalizing Indigenous communities. Therefore, a second intersectional framework for understanding Indigenous social enterprise involves understanding the critical importance of Indigenous women in the development of social enterprise in Indigenous communities in Canada. This importance can be effectively explained using the example of Friendship Centres.

There are 117 Friendship Centres across Canada, acting as social and cultural hubs for Indigenous communities. The majority of Friendship Centres are registered as charities and nonprofit organizations under federal and provincial legislation, having explicit social, cultural, and community mandates. Friendship Centres also provide income generation activities, including sales of products and services by the local Indigenous community. The final section of this article presents a case study of the Native Canadian Centre of Toronto, where goods and services are also provided by the Friendship Centre to the broader non-Indigenous community. Moreover, Friendship Centres are often the first formally incorporated Indigenous social enterprises in most Canadian cities, and have been the incubator for additional Indigenous social enterprises. A deeper understanding of Friendship Centres, therefore, is useful for understanding Indigenous social enterprise.²

Friendship Centres are different in origin and function from other ethnocultural centres developed by immigrant communities in Canada. Urban centres in Canada are typically located in places that were meeting points or sites of established Indigenous communities before colonial settlement. Although the non-Indigenous settler-designed urban environment may be different from the original Indigenous community setting, urban centres in Canada are the geographical and historical home for many Indigenous persons. For Indigenous individuals, migrating to a city is thus part of an established pattern of movement through traditional land. As described by

Howard-Bobiwash (2004), urban Indigenous migration in Canada was a form of resistance to oppression and surveillance, which was occurring on Indian reserves. Today, Friendship Centres provide social, cultural, and economic connections for new Indigenous migrants and established urban Indigenous residents, and they provide different services required by families and individuals. Individual Friendship Centres across Canada focus on different programs that support local community needs. These programs have evolved over time, including health, youth, family, community, employment, education, culture, justice, housing, economic development, sports and recreation, and language programs (National Association of Friendship Centres, 2013b). Friendship Centre health programs are usually allocated the majority of funding. However, the mix of funding allocation varies based on demand, and other programs play a critical role in the basket of services provided by Friendship Centres (National Association of Friendship Centres, 2013b). Economic development programs, in turn, receive one of the highest points of contact per program, including bingo halls, hostels, and cafeterias (National Association of Friendship Centres, 2011). Importantly, economic development programs often provide critical revenue required for other programs, a model practised by other social enterprises in Canada.

The experience of Indigenous women through colonization, followed by the subsequent building of foundational structures for Friendship Centres in urban areas, have been central forms of resistance to race- and gender-based oppression (Howard-Bobiwash, 2004). Undoubtedly, Indigenous women have experienced the most negative aspects of colonialism, and have been very active in resisting the effects of colonialism through formal and informal social organizations, such as via the establishment and participation in Friendship Centres. The current leadership and staffing of Friendship Centres reflects the underpinning of women's leadership, as 66 percent of executive directors and 72 percent of the staff are women (National Association of Friendship Centres, 2013b). Although Indigenous women built Friendship Centres, these centres serve the entire community, including men, youth, and families. In many cases programs are also open to non-Indigenous individuals of any race or background. Thus, the history of colonialism and its antagonistic relationship with Indigenous women's leadership has had a substantial influence on the formation and development of Friendship Centres and other Indigenous social enterprises.

The important role of Indigenous women in social enterprise has a long history. Pre-colonization Indigenous societies included a broad range of economic and leadership roles for women based on gender, clan, and family position. An integral part of the colonization process was to dismantle the conventional strengths of Indigenous society through physical and political violence inflicted to a great degree on Indigenous women through different forms of dispossession, including physical violence, economic dispossession, and social dislocation. Furthermore, the migration of Indigenous people from rural to urban centres has been led by women and is rooted in the intersection of resistance to colonization and patriarchy (Howard-Bobiwash, 2004).

It must also be emphasized here that Indigenous communities cannot be limited to the two socio-economic alternatives discussed or assumed most often in the neoclassical or liberal literature, i.e., a full-scale integration of Indigenous communities within the dominant neoliberal paradigm or a return to pre-colonial societies. In fact, Indigenous women in urban centres can be seen as central players in the development of a third alternative through Friendship Centres. These centres offer community service provisioning by and for the affected community, and even result in spinoff social enterprises and associated organizational structures that have Indigenous values as primary goals, with economic development and revenue-generating activities supporting the social goals by providing independent funding to fill gaps left from other sources. Additional examples of social economy organizations developed by Indigenous women include cooperatives (Findlay & Wuttunee, 2007; Hammond-Ketilson & MacPherson, 2001). The social economy and its social enterprise organizations,

therefore, can be seen as having enabling characteristics that can override the false binary of neoliberal economic integration vs. pre-colonized society to provide a third and viable alternative for community-based socio-economic structures.

CONCEPTUAL ANALYSIS OF INDIGENOUS SOCIAL ENTERPRISES

Indigenous entrepreneurship

Anderson, Dana, & Dana (2006) have argued that the broad majority of Indigenous community business activities should be considered to be an instance of social entrepreneurship, since they involve social goals (and often include environmental and cultural goals) in addition to financial aims. Although there is no standardized definition of social enterprise (see introductory essay to this special issue), there are more convergent definitions of “Indigenous entrepreneurship.”

The conceptual framework of Indigenous entrepreneurship is useful in understanding Indigenous social enterprise (Anderson, 2011). Anderson states that Indigenous entrepreneurship has multiple goals in addition to economic self-sufficiency, including protecting land ownership and use, strengthening socio-economic circumstances, and revitalizing traditional culture. Anderson et al. (2006) are careful to point out, then, that an Indigenous individual who is simply a business entrepreneur with a singular goal of maximizing economic profits does not fit the definition of Indigenous entrepreneurship. To reiterate Indigenous entrepreneurship, therefore, is inclusive of economic, environmental, social, and cultural goals, with similarities to other forms of social entrepreneurship but with the important difference of including *culture* as an integral dimension. Moreover, Steyaert and Hjorth (2008) argue that social entrepreneurship has to be a force for social change rather than maintenance of current power relations. As such, Indigenous entrepreneurship can also be described as a process of changing the power dynamics between Indigenous and non-Indigenous people, and as a form of decolonization.

One form of economic decolonization in Canada has been to utilize the changing environment for Indigenous rights and self-determination to enable rapid economic development, which includes subsequent social benefits to Indigenous communities. However, Kuokkanen (2011) has argued against implementing purely capitalist-based economic development for Indigenous communities, since it is a perpetuation of the system that was the economic driving force behind colonialism. According to Kuokkanen, economic development that is not based on social and cultural values has not had a substantially positive or lasting effect on the greatest issues affecting Indigenous communities and, disproportionately, Indigenous women, including domestic violence and lack of adequate housing and social services. For example, in the neoliberal form of economic development geared to or intersecting with Indigenous people or Indigenous land, the majority of resource development jobs have employed Indigenous men rather than Indigenous women. Additionally, development projects with primarily resource-based incentives and aims have provided gains to only a few people (mostly to non-Indigenous stakeholders) rather than establishing broader benefits to the Indigenous communities that are directly affected by these projects. While some Indigenous communities have themselves implemented these forms of resource-based economic development initiatives, these initiatives have not provided consistently expected social dividends, particularly for Indigenous women.

Another form of decolonization would be an attempt to return to pre-colonization subsistence economies. But re-adoption of Indigenous culture also involves a temporal element. Indigenous concepts of culture do change over time, as we have already pinpointed. Culture evolves within the system it lives in, and is never a “static” or

“finished” entity. Although Indigenous cultures have been damaged under colonialism, attempts at revival of Indigenous culture and social structure have not, on the whole, aspired to simply replicate pre-colonial systems. Instead, practices that are more akin to pre-colonial subsistence economies have been combined with contemporary technology and management practices to enable sustainable Indigenous economic practices. Cornthassel (2008), as was already cited, described sustainable Indigenous self-determination as holistic integration of cultural, environmental, social, and economic values and practices, cannot be separated according to Indigenous ways of thinking. With most Indigenous communities, transmission of cultural traditions and practices to future generations also involves shared goals of providing sustainable activities that protect the natural environment. Social issues are a component of self-determination. For example, the Indigenous Zapatista movement in Mexico, which has garnered wide interest among Indigenous peoples in Canada, involved explicit development of rights of Indigenous women before taking over town governments. In short, decolonization does not involve a return to a static version of Indigenous culture that reflects or attempts to revive wholesale a particular past time period, but rather tends to include modifications of Indigenous culture that reflect current contexts of time and space.

Quadruple bottom line organizations

In the social enterprise sector, the prominence of non-financial goals is often described in terms of multiple bottom lines. For example, double bottom line organizations involve and account for specific social and economic goals, inputs, and outputs. Triple bottom line organizations formally incorporate social, economic, *and* environmental goals into strategic and operational processes and accounting. Indigenous social enterprises will tend to also incorporate a fourth bottom line, *culture*, into organizational goals. Moreover, Indigenous organizations consider the social, economic, environmental, and cultural goals as integral to each other, rather than being separable items. Since a substantial component of the colonial project was destruction of Indigenous culture, the organizational response from Indigenous communities has been to bring culture to the forefront as a critical component of organizational strategy and operations. Research in Canada on a range of community economic development measures defined by Indigenous communities in a bottom-up rather than top-down process indicates the importance of culture (Orr & Weir, 2013).

The cultural dimension of Indigenous social enterprise has tended to be obscured by Western-based research on social enterprise, particularly because there is a tendency in the social enterprise literature to, at times, consider each separate business unit within the broader organization as a distinct social enterprise. Moreover, this taxonomic approach has obscured the interdependencies and connections between related social enterprises, including Indigenous ones. As described in the case studies of Membertou and the Osoyoos Indian Band in Canada that follow, the different lines of business need to be considered in a holistic manner to understand the multiple organizational dimensions and the interrelationships and interdependencies of the Indigenous social enterprise experience. A quadruple bottom line approach represents one method of achieving this goal.

As colonialism and settler colonialism (Veracini, 2011; Wolfe, 2006) were imposed as structures throughout the British Empire, in conjunction with a separation of Indigenous people from their land, a “specialization lens” of enterprises emerged. This lens has tended to categorize the evolution of Indigenous enterprises into two groups: those organizations that pursued strictly economic goals, and those organizations that primarily pursued social, environmental, or cultural goals or managed to achieve them as a secondary gain. Historically, Indigenous community economic development responses, however, have included more holistic and innovative combinations of social goals with environmental and cultural goals (Orr & Weir, 2013). Scrimgeour and Iremonger (2004), for instance, articulate the use of quadruple bottom lines for Maori social enterprise in New

Zealand, involving integrated economic, social, environmental, and cultural goals, while Cornthassel's (2008) notion of "sustainable self-determination" (i.e., enmeshed economic, social, cultural, and environmental values) underscores how the holistic worldview for Indigenous communities can be espoused in entrepreneurial activity. Dalziel, Matunga, and Saunders (2006) explain that since 2002, the quadruple bottom line approach has been adopted in the formal devolution of responsibility to local authorities in New Zealand.

The key differentiating factor between Indigenous social enterprise and other forms of social enterprise, then, is the integral and prominent role of culture that underscores a fourth dimension—a quadruple bottom line—for Indigenous social enterprise. In the volume *Hidden in Plain Sight: Contributions of Aboriginal Peoples to Canadian Identity and Culture*, researchers Beavon, Voyageur, and Newhouse (2005) detail how Indigenous individuals and values have shaped a number of Canadian movements and institutions. The Indigenous philosophies and knowledge developed over time that enable societies to function for multiple generations have, the authors point out, influenced the development of current Indigenous organizations and governance structures, and they continue to be utilized as the basis for the operation of Indigenous organizations (Beavon, Voyageur, & Newhouse, 2005). However, the impact of Indigenous values on Canada's social economy and, conversely, the impact of Canada's social economy on Indigenous communities have not yet been researched in a systematic or holistic way. Understanding Indigenous values—especially cultural and environmental ones—that have been the basis of other, non-Indigenous social economy organizations will, we believe, enable an improved understanding of the broad diversity of the social economy in Canada and provide possible direction for some of the most difficult issues facing Canadian society. The case studies on Membertou and Osoyoos at the end of this article, for instance, demonstrate practices of quadruple bottom line organizations in Canada, which add rich texture to our understanding of the broader social economy today.

In short, the importance of culture as a distinct dimension from social and environmental indicators is important for a more complete understanding of Indigenous social enterprise, as our case studies will demonstrate. The effects of dominant culture on Indigenous peoples are often invisible to non-Indigenous individuals who are part of that dominant culture. Simultaneously, maintaining Indigenous culture in the context of the dominant culture is a daily struggle for Indigenous people. Indigenous social enterprise thus necessitates revitalization of Indigenous culture. At the same time, cultural knowledge and practice are intertwined with environmental and social knowledge and practice in Indigenous social enterprise. This intertwining underscores how cultural goals can be combined with social, environmental, and economic ones.

FRAMEWORK FOR CLASSIFYING INDIGENOUS SOCIAL ENTERPRISES IN CANADA

To recap, the intersection of race, class, and gender have been experienced most acutely by Indigenous communities in Canada through colonialism, capitalism, and patriarchy (Palmater, 2011). Although there is a significant quantity of research on the issues that have affected Indigenous communities, there is limited research on solutions to these issues provided by Indigenous organizations, particularly social enterprises, which are, in our view, a critical component of developing solutions based on community assets. Conceptualizing Indigenous social enterprises in Canada as positive social change, led by Indigenous peoples themselves, we must now focus on the existing assets of their communities and traditional knowledge as Indigenous-centred social economy organizations, rather than in a neocolonial deficit-based approach to community development. The development of organizations in Indigenous communities are explained through the basis of Indigenous entrepreneurship, which is qualitatively different from mainstream entrepreneurship (Dana & Anderson, 2007), as was previously outlined. In summary, Indigenous entrepreneurship is not simply

identifying Indigenous individuals who are entrepreneurs. Dana and Anderson (2007) propose that Indigenous entrepreneurship has multiple goals in addition to economic self-sufficiency, including protecting land ownership and use, strengthening socio-economic circumstances, and revitalizing traditional culture. These characteristics of Indigenous entrepreneurship differentiate it from mainstream entrepreneurship and are mirrored in the Indigenous community economic development literature through the identification of culture as a salient measure of community well-being (Orr & Weir, 2013). The characteristics of Indigenous social enterprise can thus be identified by the presence of the four interrelated dimensions of quadruple bottom line businesses, namely economic, social, environmental (incorporating land), and cultural dimensions.

Three illustrative examples of Indigenous entrepreneurship and quadruple bottom line businesses from across Canada are highlighted in the case studies that follow.

CASE STUDIES

The need for Indigenous social enterprise case studies

Just as the social economy is not reflected in formal educational curriculum in proportion to its size and importance in the economy (McMurtry, 2009), Indigenous enterprise is not reflected in educational resources in proportion to its importance. Battiste and Henderson (2000) describe the lack of Indigenous knowledge in education and convincingly argue that there is a high level of “benefit the Western world can derive from [Indigenous] knowledge and heritage” (p. 86). Battiste and Henderson (2000) further explain how important Indigenous knowledge is to the survival of our world, in terms of our relationship with nature as well as community well-being. The simultaneous under-representation of the social economy and Indigenous knowledge in education is related.

The minimization of different types of alternative and Indigenous organizational structures, value systems, and knowledge functions to maximize the importance of a single hegemonic and monocultural neoliberal economic value system. The most effective method of countering hegemonic education practices is to provide evidence of real alternatives. The alternatives provided must have multiple dimensions of diversity. Hence, there is a need for social economy and Indigenous social enterprise examples as case studies, so they can be incorporated into educational curricula and add further nuance to the broader landscape of social enterprise in Canada. In this spirit, in the remaining pages of this article we offer three brief case studies of prominent Indigenous social enterprise in Canada.

Membertou Band

The Mi'kmaw community of Membertou is named after Grand Chief Membertou (1510–1611). Membertou is located adjacent to the city of Sydney, Nova Scotia. Sydney is a coastal port city on Cape Breton Island and was previously dependent on the coal and steel industries. The legacy of the coal and steel industries include the Sydney Tar Ponds (which have required an ongoing multi-million-dollar cleanup effort) and high levels of unemployment after the decline of these same industries. Membertou is an urban First Nations community consisting of 1,400 people, which had experienced issues of high unemployment associated with the decline of local industries. Membertou's leadership has developed and implemented economic development plans that have led to nearly complete employment for band members. Membertou's long-term strategy involves not only developing the local economy, but also connecting to businesses in Nova Scotia's capital, Halifax.

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Membertou was restricted to a small area of reserve land as compared to its much larger traditional territories, and then forcibly moved from its original location at Kings Road Reserve in 1926 by the Exchequer Court of Canada (Membertou, 2015) to its current location. Membertou has used the current location to its advantage, due to its proximity to the centre of the city of Sydney, which provides access to a customer base of urban consumers. The Membertou First Nation has been successful in diversifying its economy to include a gaming centre, gas bar, business centre, convention centre, and hotel. One of the first businesses established on reserve land was the gaming centre, which generated revenues that provided capital to promote other businesses. Membertou's new business projects involve the purchase of land outside of the reserve. Membertou's approach to social enterprise involves employment of a marginalized population, Membertou band members, in a diverse group of businesses. In addition to nearly complete employment, band members receive a dividend from the profits of Membertou's businesses.

The Membertou Heritage Park is an important component in the portfolio of Membertou's businesses. Membertou Heritage Park provides a history of Membertou in the form of a museum and relates the history to current developments for Membertou, including evolving establishment of treaty rights through Canadian courts (Membertou Heritage Park, 2015). Maintaining the cultural heritage of Membertou has enabled the community to overcome adversity and develop economic strength from a strong cultural core. Membertou Heritage Park is one of the prominent tourist attractions on Cape Breton Island; it has inspired other First Nations in the region to develop cultural interpretation centres and local tourism industries. The facility provides a permanent location for the community to tell its story and highlight its culture from Membertou's own point of view, and also underscores the importance of Indigenous knowledge. As such, maintenance of culture has been an integral part of Membertou's social and economic development process.

Membertou has developed a financially successful portfolio of businesses that is appropriate to local ecology, and also provides employment and leadership development opportunities to its band members. Collectively, the portfolio of businesses exhibits quadruple bottom line characteristics.

Osoyoos Indian Band

The Osoyoos Indian Band is part of the Okanagan First Nation. It is located on a reserve in the Okanagan Valley adjacent to the town of Osoyoos, British Columbia, which is close to the border between Canada and the US. The Okanagan Valley has been inhabited by First Nations communities for centuries and is currently the main wine- and fruit-growing region of British Columbia. The region is a tourist destination with a number of wineries and other outdoor recreational amenities. The southern geographical location and mountainous terrain make the region ideal for wineries; one of the first businesses developed by the Osoyoos Indian Band was a winery.

The Osoyoos Indian Band has developed a diversified portfolio of businesses, including a winery, wine cellar, cultural centre, gas and convenience store, resort, spa, RV park, golf course, and business park. The band has purposefully become integrated into local and global economies, exporting its winery products and welcoming international visitors to its resort facilities. As Chief Clarence Louis explains, describing Osoyoos' social enterprise strategy, "The best social program is a job." Osoyoos' approach to social enterprise involves employment of a marginalized population, Osoyoos band members, in a diverse group of businesses. The band's strategy of increasing the number of businesses has provided employment for band members and diversified career possibilities that were previously assumed to be out of reach. Although similar jobs may have been available at other local businesses, band members were often excluded from jobs at non-Indigenous businesses due to structural racism issues, including lack of experience. At the band-owned businesses, band members can develop experience in a variety of positions. Revenues from the diverse portfolio of businesses

have also been utilized to build school buildings and community facilities. Having its own school enables the Osoyoos Indian Band to provide identity, building cultural knowledge in young band members. Band ownership and operation of a number of businesses enables young band members to see themselves in future careers as teachers, managers, and scientists through exposure to role models and employment opportunities in their own community. Having its own school building and community centre has also enabled the band to provide cultural education and opportunities for participation in cultural activities by young band members. Maintenance of culture has been an integral part of Osoyoos' social and economic development process.

The Nk'mip Desert Cultural Centre is a prominent component of the portfolio of businesses. The cultural centre provides tours, self-guided nature trails, interpretive exhibits, visitor programs, a gift shop, and cultural events. The cultural centre has a favourable location beside the flagship resort, and Indigenous art is prominently displayed in front of all band businesses. The cultural centre is important not only in maintaining cultural continuity, but also in maintaining the local ecosystem with ongoing rattlesnake tagging programs. The entire portfolio of businesses has local eco-appropriate environmental elements, such as organic wine- and fruit-growing practices. Osoyoos has developed a financially successful portfolio of businesses that is appropriate to cultural history and local ecology, and which also provides employment and leadership development opportunities to its band members. Collectively, the portfolio of businesses exhibits quadruple bottom line characteristics.

Native Canadian Centre of Toronto

As discussed earlier in this article, Friendship Centres are often the first formally incorporated Indigenous social enterprises in most Canadian cities, and they have been the incubator for additional Indigenous social enterprises. The majority of Friendship Centres are registered charities or nonprofit organizations generating independent market-based revenues by offering goods and services to the public, and they have social and cultural purposes. Therefore, Friendship Centres are examples of Indigenous social enterprises. This case study describes the Native Canadian Centre of Toronto (NCCT), one of the first Friendship Centres established in Canada.

Indigenous populations in Canadian cities such as Toronto have doubled over 25 years (1981 to 2006), whereas Indigenous populations in cities like Ottawa have increased by 40 percent over the same time period (Fitzmaurice, 2012). Toronto has always been a meeting place for different Indigenous communities, resulting in the establishment of the NCCT as one of the first Friendship Centres in an urban community in Canada. The NCCT provides a central meeting place for the Indigenous community in Toronto and a variety of cultural programs, including language classes that are key to continuation of culture. The NCCT also employs a number of full-time and part-time Indigenous individuals in its various programs, providing an employment-related social purpose.

A close examination of the historical establishment of Friendship Centres by Indigenous women provides examples of fundraising activities that would be described as mission-related revenue-generating projects in current terminology. For instance, the chapter by Anderson (2011) on grandmothers and elders in the book *Life Stages and Native Women: Memory, Teachings, and Story Medicine* describes Indigenous grandmothers who made baskets they could sell to support other activities. In *The Strength of Women*, Sayese (2011) indicates that Indigenous "ladies groups" mutually acquired skills in sewing, beading, and cooking to make money. Howard-Bobiwash (2004) details the pioneering efforts of Indigenous women such as Vera Johnston, Hettie Sylvester, and Lillian McGregor, who established the Native Canadian Centre of Toronto (NCCT), including an urban market for Native arts and crafts, which provided financial and cultural support to the NCCT and the

Indigenous community in Toronto. The NCCT continues to operate the Cedar Basket Gift Shop, which generates revenue through the sale of handicrafts, CDs, and books. The NCCT is considering replicating the model of the Cedar Basket shop in high tourist areas such as the Toronto airport. Additional revenue-generating activities include rental of facilities and provision of meals for seniors at a low cost. The youth group at NCCT is starting up a new social enterprise to provide education, events, and skilled worker services. Through its economic activities, the NCCT has been able to generate sufficient revenues to purchase the building it operates in, thereby solidifying the relationship to land. In summary, NCCT is an example of a quadruple bottom line Indigenous social enterprise.

CONCLUSION

As described by McMurtry, Brouard, Elson, Hall, Lionais, and Vieta) throughout this issue, Indigenous businesses form a distinct type of social enterprise in Canada, led and managed by Indigenous communities. This article first explored the complex historical context of Indigenous social enterprise, where the precursors of social enterprise implemented by non-Indigenous settlers did not have a benign or positive effect on Indigenous communities. The economic motivations for colonization included dispossession of land and development of a compliant workforce; these motivations were behind the policies of physical violence, economic dispossession, and social dislocation, specifically imposed on Indigenous women. The gendered leadership of Indigenous social enterprise, mainly by women, was also described as a reaction to the intersection of patriarchy and colonization. A framework for identifying Indigenous social enterprise was then proposed through related theories of “Indigenous entrepreneurship” and “quadruple bottom line” organizations. The role of culture as it relates to Indigenous organizations as the fourth bottom line was then explained. The final section of this article then laid out three contemporary and illustrative cases studies of Indigenous social enterprise to provide an understanding of Indigenous social enterprise in a “current state snapshot.”

The factors influencing development of social enterprise in the context of Indigenous communities in Canada include the ability to convert different types of capital—including land, human, social, environmental, cultural, and financial capital—to meet holistic requirements of diverse Indigenous communities. Some Indigenous communities have taken the path of focusing on economic development first, and leveraging economic development to increase other forms of capital. Other Indigenous communities have taken the route of strengthening cultural foundations first and then building economic and other forms of capital from a place of strength of cultural identity. The future development of Indigenous social enterprise in Canada will ultimately depend on the ability of Indigenous communities to control their own resources, primarily related to land, but also including economic resources to develop businesses, human resources through education rooted in community-led and Indigenous methodologies, and applying cultural resources, including Indigenous knowledge. Moreover, Indigenous social enterprise rooted in Indigenous knowledge we believe will continue to demonstrate alternative organizational forms and alternative futures as positive examples that the broader social enterprise sector in Canada and beyond can learn from.

ACKNOWLEDGMENTS

Our sincere thanks to the following individuals and organizations for providing their knowledge and valuable input to the case studies: Jennifer Deleskie, Membertou Corporate Division; Larry Frost, Executive Director, Native Canadian Centre of Toronto; Chief Clarence Louie, Osyoos Indian Band Development Corporation.

NOTES

1. The internationally prevalent term “Indigenous” is utilized in the place of literature references to Aboriginal, Indian, and Native, unless a verbatim reference is required.
2. Friendship Centres may not explicitly consider themselves to be social enterprises. However, the majority of Friendship Centres are registered charities or nonprofit organizations, generate independent market-based revenues by offering goods and services to the public, and have social and cultural purposes, and therefore Friendship Centres would be considered to be social enterprises under most classifications.

WEBSITES

Native Canadian Centre of Toronto. <http://www.ncct.on.ca>

Membertou, <http://Indigenous.membertou.ca>

Membertou Heritage Park, <http://www.membertouheritagepark.com/index.asp>

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Canadian Journal of Nonprofit and Social Economy Research
Revue canadienne de recherche sur les OBSL et l'économie sociale

Vol. 6, No. 1
Spring / Printemps 2015
pp. 124 – 125

Book Review

By **Brandon Bertram**

After Occupy: Economic Democracy for the 21st Century. By Tom Malleson. Oxford, UK: Oxford University Press, 2014. 274 pp. ISBN 9780199330102.

Through *After Occupy: Economic Democracy for the 21st Century*, Tom Malleson puts forward economic democracy as a pragmatic vision of an achievable utopia. Responding to the Occupy movements' rallying cries of inequality in wealth and power, Malleson heralds democracy's equalizing potential, and interrogates the democratic integrity of three economic domains—the workplace, the market system, and finance and investment systems—offering adjustments that might facilitate more democratic economies, and a more free and equal world. The author believes in the inherent value of equality of freedom, and argues forcefully that economic democracy is the way to achieve it. Lamenting the non-democratic and unaccountable exercise of power that pervades within various economic and public domains, Malleson has written a book of “radical realism” (p. xxii). He envisions a tent large enough to contain the idealism of activists, but sturdy enough to satisfy the pragmatism of progressively inclined suits, in hopes of engendering a “Feasible Socialism for the 21st Century” (the title of the book's concluding chapter). Though his efforts seem unlikely to please everyone—perhaps most notably those in concerted alignment with neoliberalism, and those who might be quick to flatly reject any proposition that sustains so much of the basic form of society—Malleson argues compellingly for a thorough re-examination of economics through a “democracy” lens. His focus on non-revolutionary change, and his insistence on building up from already existing systems and processes, lends plausibility to his ideas.

Malleson, an assistant professor in the Social Justice and Peace Studies program at King's University College at Western University, has chosen “economic democracy” as a frame through which to critique and re-envision contemporary economic logic, systems, and processes. Indeed, this book is about economic democracy, and would perhaps have been more appropriately titled as such, as the ashes of the Occupy movement provide little more than a jumping-off point. At the heart of Malleson's “economic democracy” is equality of freedom, which he sees as contingent upon the distribution of decision-making power within firms, markets, and structures of investment and finance. The bulk of *After Occupy* is arranged in three sections. The first part of each section presents a critique of what exists in (1) Workplaces, (2) The Market System, and (3) Finance and Investment, asking how democracy is doing, and if more democracy is needed. The second part of each section explores current and plausible democratic alternatives in each of the three domains. Though each domain is explored in turn, Malleson notes that they exist interdependently. Achieving equality of freedom thus requires democratic interventions throughout various broadly defined areas of the economy.



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Capitalist workplaces—undemocratic by nature—are critiqued as hierarchies of decision-making power that, when viewed in the aggregate, place severe constraints on workers' freedom. In response to this inequity, Malleon offers a broad survey of alternative workplace arrangements, citing numerous improvements to social, political, and economic life that can be related to, for example, thriving worker cooperatives. Here, as elsewhere, Malleon is careful to give attention to objections and counterarguments, including historical, practical, and theoretical challenges to his arguments and ideas. Though he responds to such challenges with varying degrees of success, his core assertions about the need to look closely at the extent of democracy in the economy prove to be resilient. The market system provides a greater challenge for Malleon, as free-market orators so often herald the market as the epitome of freedom and democracy, and public interventions in the market are loudly condemned as inefficient and totalitarian. Malleon does not reject the democratic potential of markets, but highlights that under-regulated and poorly designed markets often fail to represent the needs of people. Envisioning market democracy is a stretch in a world of unequal wealth, but Malleon offers historical evidence to buttress his assertions that various adjustments—small and large—can improve market democracy and bring about equality of freedom. It seems audacious to run headfirst into the heart of neoliberal ideology, offering to “shape” the market, but Malleon gains some traction as he constructs his arguments patiently and incrementally upon some core tenets of capitalist thought, likely winning enough ground to convince at least some opponents that a measure of market intervention for “economic democracy” may be warranted. In the realms of finance and investment, the so-called 1% can use their sizable wealth to reward or punish those who support or threaten their power, often free from any kind of meaningful public accountability. Malleon accordingly proposes reforms aimed at engendering popular sovereignty within the halls of the moneyed. He affirms the relevance of finance and investment in building prosperous communities, but offers multiple points of intervention, from policy changes at high levels of government to grassroots community engagement and institution building, which might shift economic power to local communities.

Like the Occupy movement, *After Occupy* argues convincingly for a societal readjustment against inequality. The Occupy movement was chastised in the media for being better at criticizing than it was at articulating a coherent vision of a plausible alternative. With *After Occupy*, Tom Malleon sets out “to paint a picture of society that is at once plausible enough to seem worth talking about yet inspiring enough to warrant the risk, energy, and commitment that building such a society would require” (p. 198). Presented as a broadly applicable alternative to social, political, and economic arrangements that is nonetheless rooted in a universal longing (i.e., for freedom), economic democracy is offered up by the author as something of a compromise between capitalism on the right and socialism on the left. Like Occupy itself, *After Occupy* is confronted with a powerful, deeply entrenched, and increasingly all-encompassing hegemonic web of neoliberal hierarchy, which casts clouds of doubt, at least in mainstream media discourses, over any reforms substantive enough to be meaningful. *After Occupy* rises to this challenge with varying success, providing many examples of possible alternatives that have achieved democratic outcomes. Though his roadmap from status quo to economic democracy requires a few too many descents into utopia perhaps, Malleon's advocacy for a vastly more democratic economy has considerable merit.

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**Official journal of the
Association of Nonprofit and Social Economy Research (ANSER)
Revue officielle de
l'Association de recherche sur les organismes sans but lucratif et l'économie sociale (ARES)**

ISSN: 1920-9355