



Synopsis: Canadian Conference on Social Enterprise Policy Forum and Invitation to Engage in Next Steps January 8, 2010

Background

Held on November 19th and 20th, 2009 at The MaRS Centre, Toronto, the two-day Policy Forum, was part of the Third Canadian Conference on Social Enterprise. It was co-hosted by the Social Enterprise Council of Canada (SECC), the Social Innovation Generation program at the MaRS Discovery District (SiG@ MaRS) and Causeway Social Finance.

One hundred and forty delegates and twenty speakers collaborated throughout the Forum to advance the thinking on how to create an enabling environment in which social enterprise can thrive in Canada.

The National Policy Framework: Discussion Document, which identifies six integrated key components that provide a framework for creating a supportive environment for social enterprise (“six pillars”) was the reference document for the discussion (see <http://socialenterprise.wik.is/>). In groups and individually through polling, Policy Forum delegates developed, synthesized and reviewed recommendations.

A total of 27 strategy recommendations were identified by the six policy forum discussion groups:

Strategies to Enhance Social Enterprise Practitioner Business Skills

1. Access existing skills development opportunities. All start up businesses require skills development; the principles of running any business are the same. Find a way to access existing business skills training opportunities. Do not create a parallel system.
2. Partner with the private sector. Go beyond mentorship to partnership with the private sector for skills development and incubator opportunities. Create opportunities for secondment of business people into social enterprises and create a program to formalize this. Recruit the required skills to Boards of Directors and ensure effective skills transfer.
3. Increase awareness in educational institutions about social enterprise. Business schools are showing interest and connections need to be made to work with college and universities, especially in business schools.
4. Exchange experiences and knowledge among social enterprises and create a way to share learning opportunities across Canada, including linking to educational opportunities.

Six Policy Pillars

1. Enhance Social Enterprise Practitioner Business Skills
2. Expand Market Opportunities
3. Increase Access to Capital for Social Enterprises
4. Raise Awareness and Demonstrate the Value of Social Enterprise
5. Facilitate Networking among Stakeholders in the Social Enterprise Sector
6. Ensure Enabling Infrastructure and Supportive Regulatory Environment for Social Enterprise

Strategies to Increase Access to Capital for Social Enterprises

5. Equalize access, benefits, incentives and funding for social enterprises (SEs) and small and medium sized businesses (SMEs). Identify the Federal and Provincial programs that exist for SMEs for which SE's do not have equal access, and ensure existing programs are accessible to SEs.
6. Tax credits. Provide incentives through tax credits (individual and corporate) to support investment in social enterprise. Form a small committee to examine existing tax credit information.
7. Identify existing funding programs and loan funds that are working for social enterprises from existing networks. Include successes and barriers and how to overcome them. Explore partnership between sector investors and government.
8. Act together to make a strategic request to government. This could happen at the Federal level with the Minister of Finance and the Finance Committee as well as at the Provincial level. A joint request is seen to be more effective than repeated and diverse requests.
9. Accelerate the growth of existing pools of capital held in the public domain in their support of social enterprise. Avoid reliance on government. Work with existing funders, such as foundations and individuals as well as with financial institutions to provide seed funding, loan guarantees, patient capital etc. Identify the barriers they face in offering access to the varied forms of capital.
10. Participate in pre-budget consultation. Present a letter from this Forum asking for input into future budget setting opportunities at all levels.

Strategies to Expand Market Opportunities

11. Develop an inventory of social enterprises and the goods and services they offer, to enable promotion.
12. Create a brand and clear messages for social enterprise goods and services. Explore standards and certification for social enterprises.
13. Conduct collective marketing such as joint advertising on radio, TV, or in print – it could be conceived nationally but would be implemented locally.
14. Develop incentives and promote procurement policies with blended value that integrate social, financial and environmental objectives. Implement locally and coordinate across all areas. Advocate for procurement and purchasing from social enterprises.

Strategies to Raise Awareness and Demonstrate the Value of Social Enterprise

15. Develop a communication strategy to position and promote social enterprise to diverse audiences. Develop common language and terminology, and engage buy-in from diverse sectors.
16. Agree on a definition of social enterprise, while not belabouring it, agreeing on a definition is important for communication. Here are two: “social enterprises are businesses with a social purpose”, or “businesses that produce goods and services for the market economy, in which operations and surpluses are directed to social or community goals”.

17. Develop a website to create awareness and demonstrate value of social enterprise. It will include case studies for use in educational curriculum and consist of data, 10 common indicators, white papers etc.
18. Engage the private sector. Two years from now ensure that the private sector is well represented in gatherings like this.
19. Engage the education sector, including social science faculties and business schools.
20. Develop an inventory of ways to measure and demonstrate value of social enterprise.

Strategies to Facilitate Networking among Stakeholders in the Social Enterprise Sector

21. Build relationships rather than more networks. Build relationships for a policy network for collective advocacy, marketing and promotion and attracting youth into social enterprise development. Avoid duplicating work.
22. Policy network. Create networking opportunities between social enterprise and traditional business by creating a network that pursues policy priorities.
23. Include new partners. Include marginalized groups in the discussion. Actively recruit First Nations and ethno-culturally diverse groups to participate in our discussions. Engage municipalities; a social enterprise could be a public entity inside a municipal corporation, which has connections to local businesses and the Chambers of Commerce.
24. Common regional or provincial voice. Come together regionally or provincially to develop a common policy voice at that level. Avoid turf issues by working with neutral third parties through research e.g. Carleton University, MaRS.

Strategies to Ensure Enabling Infrastructure and Supportive Regulatory Environment for Social Enterprise

25. Review the current regulatory framework and identify what is and is not working and for whom. Develop categories and needs. Conduct research before approaching government. Determine next steps to interface with the Charities Directorate, the Trustee Act in relation to encouraging Program Related Investments from Foundations and the Income Tax Act to introduce a new structure that attracts investment, enables social enterprise to reach private markets, sell shares and hybrid ownership to provide more latitude for charities to operate businesses. Also need clarity on reserve levels.
26. Conduct a critical analysis of CIC and L3C legal structures and their applicability for Canada.
27. Establish an Office for the Third Sector, as a “beachhead” in government, so there is ownership when proposals come to the Cabinet table. In Ontario, the Social Investment Fund would be less vulnerable if there was a champion in Cabinet.