

**Social Enterprise as an Employment Option for  
Adults with Intellectual and Developmental Disabilities**

**Environmental Scan of Social Businesses in the Intellectual and  
Developmental Disabilities Sector**

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## Contents

<a href="#">Introduction</a>	3
<a href="#">Background</a>	3
<a href="#">Method</a>	6
<a href="#">Results</a>	8
<b><a href="#">Classification</a></b>	8
<i><a href="#">Type of business activity</a></i>	8
<i><a href="#">Affiliation</a></i>	9
<i><a href="#">Size of business</a></i>	10
<i><a href="#">Subsidies and financial support</a></i>	12
<i><a href="#">Workforce composition</a></i>	12
<i><a href="#">Payment structure</a></i>	13
<b><a href="#">Other Organizing Structures</a></b>	14
<i><a href="#">Rehabilitation/training, employment alternative/collective, hybrid models</a></i>	14
<i><a href="#">Consumer-controlled and driven vs. consumer involvement</a></i>	14
<i><a href="#">Form of incorporation</a></i>	15
<a href="#">Summary &amp; Conclusions</a>	15
<a href="#">References</a>	16
<a href="#">Appendix A</a>	18

## Introduction

This report presents the results of an environmental scan of social businesses in Ontario and the rest of Canada that provide employment and/or training opportunities for people with intellectual and developmental disabilities (IDD). It is the first phase of research that is intended to provide the Government of Ontario's Ministry of Community and Social Services (MCSS) with a more informed understanding of the nature of this employment model as applied to this population in the Canadian context. The environmental scan offers a snapshot of social businesses in Ontario from which the research team is purposively selecting businesses for more in-depth case studies. It also provides information on the broader context of social businesses for this population across Canada, and for the selection of one business outside of Ontario for comparative purposes.

The environmental scan contributes a comprehensive understanding of the structure, reach, and function of social business as a model of promoting employment for people with IDD. It has been broadly acknowledged that this population is subject to high levels of unemployment and non-participation in the labour force (Statistics Canada, 2008; Canadian Association for Community Living, 2013), and that supported, inclusive employment can promote independence, quality of life, social integration, and capacity-building (e.g., Canadian Centre for Policy Alternatives, 2008; Lysaght, Jakobsen & Granhaug, 2012).

While our previous work has created similar classification systems for social businesses serving populations with a variety of intellectual, physical, and psychiatric disabilities, this report presents a focused taxonomy of social businesses within the IDD field. It is grounded in current practice in order to guide future research activity and the understanding of this sub-sector to policy makers and other key stakeholders.

The environmental scan attempts to answer two questions:

- What is the nature of social businesses for people with IDD that presently exist in Ontario and the rest of Canada (number, size, activity, structures, etc.)?
- What taxonomy can classify and describe these social businesses?

In doing so, the environmental scan presents the catalogue of businesses we have identified (found in the Appendix). While the list is not necessarily exhaustive, it summarizes the types of demographic features of the majority of businesses in operation as of December 31, 2013.

## Background

Alternative forms of business are one element of Canada's social economy that have seen a consistent increase in size, innovation, and research in the last decade (Mook, Quarter & Ryan, 2010). One alternative form of business is social enterprise, alternatively called social business, social firms, social ventures, social cooperatives, and social purpose businesses. Social enterprises are similar to conventional for-profit businesses in that they exchange goods and services in a market. They differ, however, in the sense that they operate for the purpose of realizing a social mission or objective and they often require external supports in order to be sustainable (ibid).

Social businesses throughout Canada are striving to improve economic and social conditions for populations who face challenges with self-sufficiency. These populations include people with disabilities, marginalized youth, people who have encountered poverty and/or homelessness, Aboriginal communities, ethnic minorities, people who are homeless, women, seniors, and people with various disabilities, including mental illness, physical, and intellectual disabilities. Non-profit organizations that serve the IDD population, in particular, have a long history of entrepreneurship and employment activities for their clients, most often taking the form of sheltered workshops. Although they were once commended for providing a safe and social environment and an opportunity to do productive paid work, organizations have moved away from this model due to a philosophical shift toward social inclusion, and a shift to models based on the principle of normalization and social role valorization (Caruso & Osburn, 2011).

Interest in social enterprise among non-profit organizations that support people with IDD reflects a growing overall interest in social enterprise in Ontario. Results of a recent Social Enterprise Survey in Ontario (Canadian Community Economic Development Network, 2013) suggest that as of 2011, no fewer than 1,040 social enterprises operated in this province. Using survey data from 363 of these, 68% of social enterprises have a poverty reduction focus, through 1) supporting people in disadvantaged groups who have employment barriers and income challenges, and/or 2) providing employment and training services. The sector is in a period of considerable recent growth: almost one fifth of social enterprises began trading within three years of being surveyed. As a whole, social enterprises surveyed in Ontario have created 2,367 paid full-time equivalent jobs in 2011, and earned nearly \$120 million in sales and contracts in that same year (ibid). Overall, the survey concludes that:

social enterprises make a substantial contribution to the provincial economy through running effective and sustainable businesses that reduce poverty and employ people, many of whom are the most vulnerable citizens, while addressing other social, cultural or environmental challenges (ibid., p. 55).

While the benefits of social businesses directed toward marginalized populations have been briefly reviewed in earlier studies (Lysaght & Krupa, 2011), their contributions to the lives of people with IDD the local communities in which they operate have not been examined.

The benefits of paid work for people with disabilities are well understood: work-related training can enhance peoples' competitiveness in the general labour force and can provide valuable opportunities for social development and interaction (e.g., Butcher & Wilton, 2008). Paid work itself has the obvious benefit to individual workers of enhancing one's financial well-being and combatting poverty, but other benefits to traditionally marginalized people include greater integration and interaction in the community, improved health and hygiene, and other feelings of self actualization, efficacy and empowerment that come with the pursuit of purposeful, meaningful activity (i.e., Jahoda, 1982; Sauder School of Business, 2010). One US-based study explored the potential employment-related benefits of social entrepreneurship for people with disabilities. This study examined social entrepreneurship and business development amongst people with disabilities, concluding that social entrepreneurship is an important part of a diverse employment strategy—which also includes customized employment options, self-employment, and for-profit entrepreneurship—and is an promising means to overcome work disparities experienced by this group (Harris, Renko & Caldwell, 2013).

Social enterprise, moreover, can benefit a community at large in many ways. As one element of community economic development, it can generate financial resources and empower persons from marginalized groups (Diochon, 2003). At the same time, many social businesses generate revenues for their parent non-profit organization, which helps that organization to maintain funding and service levels in a time when these non-profits are experiencing financial strain and hardship from stagnant or declining government funding. Society at large may benefit from increased workforce capacity and job retention, reduced stigma against those with different abilities, and higher levels of community cohesion and connectedness (Sauder School of Business, 2010).

Social enterprises report many challenges to their growth and viability. According to the above-mentioned Ontario-wide study of social enterprise by the Canadian Community Economic Development Network (2013), at least five challenges are reported as consistently pressing across different sub-sectors of businesses: access to external capital to invest in the business, challenges with information technology, lack of internal expertise, relying on contract procurement, and managing the logistics of production and distribution. Other challenges include limited access to customers, advertising, cash flow, business planning and budgeting support, human resources, and regulatory/legal constraints.

Ideas about addressing many of these challenges begin with a well-informed and supportive public policy environment. Some ideas from across the peer-reviewed and grey literature include the need for:

- Developing an enabling regulatory environment that supports non-profit business and facilitates cross-sectorial access to resources
- Improving the financing of social enterprise through available capital, tax breaks, stimulating market demand for services through 'social procurement' policies, stimulating social investment on the part of a variety of individual and organizational funders, and raising awareness among funders
- Revising current policies that create barriers to employment in social enterprises, including eligibility rules around social assistance, disability supports, earnings exemptions, and benefits coverage
- Increased funding for staff in order to pursue business-related training and to develop business plans and other ventures that will improve long-term sustainability
- Further evaluating the impacts of existing models
- Support for, and further corroboration of, the benefits of social enterprise coordinating initiatives, which can include: consolidating business expenses and resources, development of business expertise, enhanced fiscal management and supervision, centralized access to expertise and funding, and investment in long-term planning and business development

This study is a step in the process of understanding one segment of the landscape of social businesses that address the needs of people with intellectual disabilities in Canada. The hope is that the information presented here will enhance understanding of the advantages and pitfalls associated with IDD-focused social enterprise. We also hope that this analysis will enhance information sharing, cohesion, and dialogue within the sector and between it and the Ministry, and to ensure the ongoing refinement and evolution of the model within the Canadian context.

## Method

This environmental scan of social businesses was conducted with a goal of identifying as many businesses as possible that met our key criteria. For inclusion in our catalogue, the business be a registered business open for trade in the community that

1. Has a set of by-laws
2. Strives for financial sustainability
3. Has a social mission that includes hiring or training people with an intellectual or developmental disability (IDD), or hires a majority of persons who could be identified as having IDD. We also include businesses that strive to create an affirmative, diverse workforce that accurately mirrors the ratio of IDD to non-IDD people in the competitive Canadian workforce.

This environmental scan does not include

- businesses that operate in order to build revenues for a larger organization that provides services for people with IDD, such as Goodwill or the March of Dimes,
- social businesses that support a parent organization that provides services to people with IDD but that do not employ people with IDD,
- independent businesses that operate informally or without a defined mission or vision as noted above, or
- businesses that might be considered sheltered workshops or sheltered businesses by virtue of paying piece-rates or training wages to long term employees.

The study does, however, include social businesses that operate according to a profit-sharing model where the intent is to ensure income that is equitable and commensurate with work rate and output. The scan also includes businesses that may have recently implemented a minimum wage compensation model or that are actively aspiring to do so. Worker reimbursement schemes appear to be complex in this sector. One of the goals of the in-depth studies of social businesses – as a follow-up to and extension of this report – is to explore reimbursement schemes and to understand how social business can best be defined within this sector. For that reason, we have erred on the side of inclusivity when reimbursement schemes and their meaning to different types of worker were unclear.

Businesses were identified several ways, using a network-based strategy, online and social media resources, and snowballing techniques. We began our sample by taking appropriate social businesses that met our criteria from an earlier environmental scan of social businesses providing employment to a variety of disadvantaged groups (Lysaght & Krupa, 2011). This original catalogue was developed by locating key contacts within a variety of relevant sectors and groups across Canada, including vocational service providers, disability organizations, and

the Canadian Council on Social Enterprise. We asked these contacts to identify social businesses that suited our criteria and to suggest names of organizations or people for further sampling.

To expand this earlier list, we learned of additional social businesses through literature reviews of both peer-reviewed material and grey literature. Internet searches (using Google as a search engine) based on a variety of keyword searches and social media resources also revealed businesses fitting our criteria. Finally, when corresponding with managers and frontline workers from the social businesses we identified, we regularly asked for names of any additional organizations or social businesses doing similar work, with which individuals were familiar. This snowballing technique revealed several social businesses that were previously unknown to us. This inventory is not an exhaustive list, but rather a list of the businesses we were able to identify within the time period of September to December 2013. Some businesses may be missing, or have discontinued or changed operations since this time.

Data on each business were first collected by reviewing its website, social media, video presentations, and any other available documents (annual reports, etc.). Contacts were then made with each social business and, when possible, a key stakeholder was interviewed by telephone using a standard protocol. This contact person was often an executive director, a manager of social enterprise operations, or occasionally both of these individuals wished to contribute simultaneously. Contacts were asked questions about the following:

- Size of the business, based on number of employees and annual revenues
- The nature of the business and the goods/services produced
- Characteristics of the workforce and human resources practices, including compensation/reimbursement and employee recruitment
- Legal and governance structures
- Mission and guiding principles of the business
- Relationships, partnerships, and subsidies external to the business
- Model of ownership and management

The interviews were used to verify and add additional information to what was gained through other sources. When a business declined to participate or could not be reached, the information was noted as unverified or missing. During the interviews many other points of interest emerged, including the business' origins, ambitions for the business, challenges, factors that contribute to, or detract from, its sustainability, and internal or external points of tension that stakeholders must navigate in their daily work.

The data for all 66 identified businesses is summarized as a table, presented here in Appendix A. Using the table, data were analyzed qualitatively by comparing key attributes and noting thematic trends and differences. Based on this analysis and the model used in the earlier environmental scan, a taxonomy of social businesses was developed, and is presented here in some detail.

## Results

### Classification

In total, 61 businesses were identified as meeting our criteria. 31 operate in Ontario. 49 of the 61 businesses national-wide (80%) could be verified through personal interview with a key informant. Appendix A includes a full catalogue of businesses meeting the criteria, and their attributes are analyzed below.

### *Type of business activity*

Social businesses employing people with IDD offer a wide range of goods and services. The most common business functions are recycling, retail sales, catering and various food services, and combinations of printing, assembly, light manufacturing, assembly, and packaging. These business activities are summarized in Table 1. Note that some businesses are engaging in more than one activity, hence the total here exceeds 61. While most of these are consistent with Ontario-only findings, the exception is recycling: unlike most other provinces, Ontario does not have a provincial deposit and refund system for bottle and beverage container recycling.

Type of business	Number (Canada)	Number (Ontario)
Recycling (including bottle depots)	13*	1
Printing/photocopying/packaging	7	4
Retail sales – used goods, gift items, artisanal products, furniture	9	6
Catering, food service	6	4
Yard and garden maintenance, landscaping	6	2
Manufacturing/assembly	5	3
Woodworking	5	3
Café, restaurant	4	2
Janitorial/cleaning services	3	2
Laundry services (commercial or public Laundromat)	3	2
Concession stand	2	1
Moving services	1	1
Internet café	1	1
Catalogue orders, delivery pickup	1	1
Courier, delivery services	1	1
Agriculture	1	1
Antiques restoration	1	1
Arts and craft studio	1	0
Airport baggage cart retrieval	1	0
Engraving	1	0
Screen printing, sewing	1	0
Paper shredding	1	0

Table 1. Summary of primary commercial activities of identified social businesses

\*SARCAN's 71 separate recycling depots in Saskatchewan and treated here, and throughout the document, as a single business.



## Affiliation

Nearly all the social businesses have a formal affiliation with a sponsor or parent organization, which is often a non-profit organization whose mission includes enhancing inclusion, quality of life, and opportunities for people with IDD. Developmental services and community living organizations are the most common parent organizations. As Table 2 illustrates, only three businesses were identified that operate entirely independent of any sponsor. Two of these are based in Ontario. Canada-wide, seventeen sponsor organizations (57%) oversee one social business each. Five sponsors (17%) have two social businesses, and eight sponsor organizations (26%) oversee four or more social businesses. In Ontario, six sponsor organizations (50%) oversee one social business each.

Spokespersons reported that they have arrived at this in-house style of arrangement because of both need (for employment opportunities and revenue streams) and opportunity for entrepreneurship on the part of the organizations. They note several benefits, one of which is flexibility of support: In their fledgling state, costs such as wages can be paid by the parent organization itself or by way of transfer money from the OMCSS in the case of job coaching and support staff. A second, related benefit of operating several businesses under one parent organization is that not every business needs to generate a constant profit; more profitable businesses can subsidize weaker ones that nevertheless provide meaningful employment and training, while at the same time generating funds for the parent organization and the evolution of new businesses.

<b>Ties to non-profit (Canada)</b>	<b>No.</b>	<b>No. social businesses per parent organization</b>
<b>Independent businesses</b>	3 (5%)	
<b>Businesses operating under parent organization</b>	58 (95%)	
<b>Parent organizations</b>	30	One: 17 (57%)
		Two: 5 (17%)
		Three: 1 (3%)
		Four: 4 (13%)
		Five or more: 3 (10%)

Table 2. Business affiliations of identified social businesses (full sample)

<b>Ties to non-profit (Ontario)</b>	<b>No.</b>	<b>No. social businesses per parent organization</b>
<b>Independent businesses</b>	2 (6%)	
<b>Businesses operating under parent/sponsoring organization</b>	29 (94%)	
<b>Parent/sponsoring organizations</b>	12	One: 6 (50%)
		Two: 2 (17%)
		Three: 1 (8%)
		Four: 1 (8%)
		Five or more: 2 (17%)

Table 3. Business affiliations of identified social businesses (Ontario)

### Size of business

The size of social businesses can be measured several different ways, and a clear picture of their size or of the sector as a whole can be difficult to develop. A snapshot of social businesses at any one time can be misleading, since depending on the metrics used, size indicators can vary over time. Moreover, companies take different approaches to their record keeping, meaning that information about annual revenues or numbers of employees in terms of full-time equivalencies, for instance, may not be available for many businesses in our catalogue. Comparing revenues between businesses is exceedingly challenging for several reasons: gross revenues provide a picture of overall sales, however it does not capture the net revenues after operating costs and wages are paid. Net profits that the business is able to reinvest into its growth or contribute back to the parent organization are often, therefore, significantly lower than what is reported here. Several organizations with positive gross revenues, for example, also report that they are simultaneously striving to become profitable or self-sustaining. A second challenge is that some of the highest-revenue businesses (>\$1 million) are the recycling businesses with large provincial- or city-wide contracts mentioned above. Because these businesses deal in deposits and refunds for recyclables, their productivity is better measured by the amount of product they move each year rather than annual revenues in a traditional sense.

In terms of annual revenues, data were available for 23 (38%) businesses. Gross business revenues vary widely, as Table 4 reveals. The largest group of businesses by revenues are those that are earning \$50,000 or less annually (eight businesses, or 35% of those reporting revenues). 13 (57%) of the businesses are earning \$100,000 or less annually. A second group of higher earning businesses (five businesses, or another 22%) have revenues ranging from \$100,000 to \$700,000/annum. The highest earning group of five businesses has gross revenues in excess of \$1 million/annum.

Business gross revenues, annually	No. (Canada)	%	No. (Ontario)	%
> \$50,000	8	35%	6	43%
\$50 – \$99,999	5	22%	4	28.5%
\$100,000 – 199,999	1	4%	1	7%
\$200,000 – 299,999	2	9%	2	14%
\$300,000 - \$399,999	0	0	0	0
\$400,000 - \$499,999	0	0	0	0
\$500,000 - \$599,999	1	4%	0	0
\$600,000 - \$699,999	1	4%	1	7%
\$700,000 - \$799,999	0	0	0	0
\$800,000 - \$899,999	0	0	0	0
\$900,000 - \$999,999	0	0	0	0
> 1 million	5	22%	0	0
	23	100	14	99.5

Table 4. Revenues of social businesses (information available for 23 businesses only)

These revenue trends are consistent in the Ontario case as well, where annual revenues were reported by 14 of 31 businesses. The largest group of businesses by revenue is the <\$50,000 group, with six out of fourteen businesses (or 43% for which data were available). Ten of the fourteen businesses' gross earnings are less than \$100,000 annually. Because of the lack of high-revenue recycling contracts in Ontario, the highest-earning businesses in Canada are not in the province.

Business size can also be classified according to the number of employees; however, this approach also has its challenges. Since some of these businesses are integrated, a portion of employees (not including management and job support staff or coaches) may not have an intellectual disability. The 48 (79%) of businesses in our catalogue for which we have this data range in employee size from 1 to 675. Excluding the outlier SARCAN, the average business has 22.3 employees. The median number of employees is 16. Data were collected for 25 businesses in Ontario; here, the average business has 20.7 employees, and like the Canada-wide figure, the median number of employees is 16. Across Canada and in Ontario, the majority of businesses have small numbers of employees, with 71% and 76% of social businesses with reported figures employing 25 or fewer employees, respectively.

Number of employees	No. (Canada)	%	No. (Ontario)	%
10 or fewer	15	24.5%	9	29%
11-25	19	31%	10	32
26-50	11	18%	5	16%
51-100	0	0	0	0
More than 100	3	5%	1	3%
	48	99.5%	25	99%

Table 5. Business size based on number of employees (full-time, part-time, seasonal)

Using Statistics Canada's classifications for business size, the number of employees is distributed as follows, with 'small' and 'micro' categories together comprising over two thirds of businesses. Recalling that the single largest employer, SARCAN is the contract holder that has created dozens of micro- and small-sized bottle recycling depots throughout Saskatchewan, the proportion of these businesses could be considered far higher.

Business size designation	No. (Canada)	%	No. (Ontario)	%
Micro (<5)	4	6.5%	2	6%
Small (<100; under 50 in service industries)	41	67%	22	71%
Medium (100 – 500; 50 – 500 in service industries)	2	3%	1	3%
Large (>500)	1	1.5%	0	0
Unknown	13	21%	6	19%
	61	99%	31	99%

Table 6. Business size based on number of employees (FT, PT, seasonal)

### *Subsidies and financial support*

Nearly all businesses in our catalogue identified subsidies and financial supports that account for much of their physical infrastructure, staff support, and annual budgets. Subsidies consist of in-kind support supplied by a sponsor or parent organization, including work space, equipment, and wages for managerial, administrative, and supervisory support staff.

Moreover, direct funding assists with the provision of support staff salaries and other discretionary costs related to maintaining and growing the business, including

- Layered community-based grants, such as the United Way
- Larger grants from the Ontario Trillium Foundation and other funders
- Support from the Ministry of Community and Social Services
- Fundraising and individual donors
- MCSS and other provincial funding by way of the parent/sponsor organization, particularly for the salaries of job coaches and on-site non-IDD support staff

Several spokespersons for newer businesses report that expanding their fundraising and grant-seeking activities is a key priority for the near future.

### *Workforce composition*

Social businesses differ in their philosophies around workforce composition. For social businesses that are affiliated with a non-profit organization serving IDD clients, typically 100% of trainees and employees have an IDD. In our catalogue, 38 businesses fit this description across Canada, and 19 fit this model provincially. In contrast, other businesses aim to create an integrated workforce with people with IDD and those with other or no disabilities working together, in an attempt to replicate the demographics of the competitive workforce in Canada. 23 (38%) and 12 (39%) businesses use this model in Canada and Ontario respectively.

<b>Workforce composition</b>	<b>No. (Canada)</b>	<b>%</b>	<b>No. (Ontario)</b>	<b>%</b>
<b>Non-integrated</b>	37	62%	19	61%
<b>Integrated</b>	24	38%	12	39%
	61	100%	31	100%

Table 7. Integration of workers with IDD with other workers

Of those 24 businesses that are integrated, the ratio of workers with IDD to other workers is known for 13, four of which are based in Ontario. The lowest portion of workers with IDD was 5-7% of a workforce, and the highest portion was 86%. Two of the businesses' workforces have 25% or fewer workers with IDD. Four businesses have between 26% and 50% workers with IDD. Two businesses have 51 to 75% workers with IDD, and a final five businesses have 76% or higher portion of workers with IDD.

<b>Known percentages of workers with IDD in integrated businesses</b>	<b>No. (Canada)</b>	<b>%</b>	<b>No. (Ontario)</b>	<b>%</b>
<b>1-25%</b>	2	15%	0	0
<b>26-50%</b>	4	31%	1	25%
<b>51-75%</b>	2	15%	0	0
<b>76-99%</b>	5	38%	3	75%
	13	99%	4	100%

Table 8. Percentage of workers with IDD

### *Payment structure*

Payment of workers varies according to the philosophies of the parent organization and/or the viability of the business. Social businesses that do primarily training of individuals typically compensate workers with an attendance incentive, travel voucher, or a small daily honorarium that is below minimum wage. In Canada and Ontario respectively, 11% and 8.5% of businesses follow this compensation model.

For businesses where workers are understood to be employees rather than trainees, a variety of compensation schemes have been adopted: some offer a range of pay structures commensurate with the worker's experience and skill required for the job. A substantial number of businesses pay an hourly rate at or above minimum wage, however; this is the largest category in our classification, with at least 51% and 42% of businesses using this model in Canada and Ontario, respectively. These figures increase to 67% and 54%, respectively when considering only businesses whose compensation models are known.

Other businesses (including cooperative consumer-owned businesses) compensate workers based on a profit-sharing model that might, for example, divide sales made during a two-week period or longer by the numbers of employees based on their hours worked. This model offsets workers' lower rate of productivity, and often does not equal minimum wage. Still other businesses have contracts with an entity such as a municipality, a university, or an airport; in these cases wages are determined through the contract and were not disclosed. Schemes falling within this compensation type are used by 15% of social business in Canada, and 26% of those in Ontario; counting only those with reported information, these figures rise to 19.5% and 33%, respectively.

<b>Forms of compensation</b>	<b>No. (Canada)</b>	<b>%</b>	<b>No. (Ontario)</b>	<b>%</b>
<b>Training allowance, travel costs, work incentive, etc.</b>	6	10%	3	9.5%
<b>Wage, not necessarily minimum (profit-sharing, contract details not disclosed, etc.)</b>	9	15%	8	26%
<b>Minimum wage or above</b>	31	51%	13	42%
<b>Not specified/unknown</b>	15	24%	7	22.5%
	61	100%	31	100%

Table 9. Models of worker compensation

## Distribution

Just over half of Canada's provinces and territories were found to have businesses that fit our criteria. Numbers in these provinces are enhanced by the trend of single organizations that have developed numerous businesses, discussed above. Ontario has the largest number of businesses in a single province (31) but there are only 12 sponsors or parent organizations running these businesses. There are smaller numbers of businesses operating in provinces in Eastern Canada, five in Manitoba, and a single large employer of people with IDD, SARCAN, in Saskatchewan. Alberta and British Columbia have eight and ten social businesses, respectively. Four parent organizations oversee Alberta's eight businesses, and six parent organizations oversee British Columbia's ten social businesses. No social businesses meeting our criteria were identified in the territories, nor in the remaining provinces.

Location	No. businesses	%
Newfoundland	2	3%
Nova Scotia	5	8%
Ontario	31	51%
Manitoba	4	6.5%
Saskatchewan	1	2%
Alberta	8	13%
British Columbia	10	16%
	61	99.5%

Table 10. Incidence of social businesses by province

## Other Organizing Structures

### *Rehabilitation/training, employment alternative/collective, hybrid models*

There are several models in place among social businesses that are intended to provide a wide range of work, training, and skill development opportunities. Some, for example, use work positions to provide training. The goal in these cases is to prepare people for work in the competitive workforce. Other businesses understand themselves to be an alternative paid employment opportunity within the community. Still others have adopted a hybrid model, offering both training and longer-term employment opportunities within the same business.

### *Consumer-controlled and driven vs. consumer involvement*

The businesses vary with respect to the extent to which ownership and decision-making are controlled by people with intellectual disabilities themselves. The vast majority of businesses are governed by volunteer boards of directors and management structures that may or may not involve workers. A few businesses operate with alternative models wherein decision-making input and governance functions include worker-owners. These businesses may follow a cooperative model, or they feature a high level of parental and worker involvement.

### *Form of incorporation*

There is a substantial amount of uncertainty surrounding the question of social business incorporation status. Some spokespersons were unsure of their business' status and reported a variety of situations to the best of their knowledge. From what we were able to discern, many businesses are registered as a non-profit organization or non-profit charity while remaining a subsidiary of their parent non-profit organization. A minority of businesses are subsidiaries but are not incorporated as either businesses or non-profit organizations. The latter status seemed to be a choice made in light of the newness of social business as an income- and employment-generating activity for many non-profit organizations, and often justified because of fledgling business' current dependence on subsidies and supports from the parent organization. Because many of these businesses are relatively new, some spokespersons suggested that incorporation is a goal for the future.

### **Summary & Conclusions**

This environmental scan provides initial data concerning the nature of social businesses in Canada that are operated primarily to generate employment or improve employment readiness for individuals with IDD. National data provide useful comparators that aid in understanding the reach and character of social businesses for this population in Ontario. While not all businesses limit employment to workers with IDD (i.e. some have mixed disability groups, others employ people with IDD as only a portion of the overall workforce), it is apparent that the model is being broadly implemented. Overall, it is clear that a range of approaches to social business development are in play. Factors that vary across businesses include the models of incorporation, the commercial focus of the business, the means of achieving social integration, subsidy structures, and compensation models. Further investigation is required to better understand the compensation models being used in these businesses. This information will help draw distinctions between these entities and sheltered workshops. Additional research will also help identify best practices for worker integration, empowerment and supervision, and inform strategies for successful incorporation and financial management.

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## Appendix A

Company name	Parent organization	Location	Nature of Business	No. of Employees	Compensation Model	Annual Revenues	Source of Financial Support
White Swan Linen	Community Living Glengarry	Alexandria, ON	Commercial laundry	30 with ID; 9 non-ID	Attendance incentive	\$680,000	Upgrades thanks to Ontario Trillium Foundation and Rotary Club. Non-ID employees' wages supported OMCSS
Olde Post Office Gift Shoppe	Lambton County Developmental Services	Petrolia, ON	Retail gift shop	6 or fewer	Salary; at or above minimum wage		Two of four businesses are not self-sustaining and receive subsidies; Petrolia Enterprises purchased its laundromat building, with apartments that subsidize businesses
Catering by Kitchen Creations	Lambton County Developmental Services	Petrolia, ON	Catering	8-10 (plus additional on call)	Salary; at or above minimum wage		Two of four businesses are not self-sustaining and receive subsidies
Woodworking shop	Lambton County Developmental Services	Petrolia, ON	Woodworking shop Lumber retail	25 (18-20 with ID)	Salary; at or above minimum wage		Two of four businesses are not self-sustaining and receive subsidies
Oil Town Suds and Duds	Lambton County Developmental Services	Petrolia, ON	Laundromat and Fluff & Fold laundry services	6 (plus some casuals)	Salary; at or above minimum wage		Two of four businesses are not self-sustaining and receive subsidies
Southside Concession	Woodstock & District Developmental Services	Woodstock, ON	Concession stand	23		Nominal	WDDS is funded by OMCSS

Taste of Woodstock Catering	Woodstock & District Developmental Services	Woodstock, ON	Catering	14	Profit-sharing	\$20,000	WDDS is funded by OMCSS
YardBasics	Woodstock & District Developmental Services	Woodstock, ON	Yard care Outdoor maintenance Tree planting	16	Profit-sharing; wages not necessarily minimum wage	\$30,000	WDDS is funded by OMCSS
Takuetsu	Woodstock & District Developmental Services	Woodstock, ON	Automotive production and assembly	16	Salary, unspecified	\$30-35,000	WDDS is funded by OMCSS
Office cleaners	Woodstock & District Developmental Services	Woodstock, ON	Office cleaning services	20	Salary, unspecified	\$10-15,000	WDDS is funded by OMCSS
Lemon & Allspice	Common Ground Cooperative	Toronto, ON	Catering	20	Profit-sharing; wages not necessarily minimum wage	\$60-70,000	Revenues + sources of support from Common Ground Co-op: 69% from OMCSS; 13% other funders; 17% individual donors and fundraising
The Coffee Shed	Common Ground Cooperative	Toronto, ON	Café	12- 15 partners ea location	Profit-sharing; wages not necessarily minimum wage	\$24,000 to \$60-70,000, depending on location; \$100K+ in total	Revenues + sources of support from Common Ground Co-op: 69% from OMCSS; 13% other funders; 17% individual donors and fundraising
CleanABLE	Common Ground Cooperative	Toronto, ON	Toy sanitization	10 or fewer	Profit-sharing; wages not necessarily	\$20,000	Revenues + sources of support from Common Ground Co-op: 69% from OMCSS; 13% other funders; 17% individual donors

					minimum wage		and fundraising; Building location, staff salaries and support through WDDS and OMCSS, etc.
Good Foot Delivery	None	Toronto, ON	Courier service				
The Mulberry Bush	Choices	Dundas, ON	Retail home and garden store	7	Work incentive, \$10/day	Nominal	None currently, but they are applying for a Trillium grant to increase job coaching staff presence; Building location, staff salaries and support through WDDS and OMCSS, etc.
Options	None	Mississauga, ON	Printing, binding and finishing; internet café	44 with IDD; 6 full time non-ID	Honourarium, \$7/shift		Trillium Foundation supports employee training; grants from Community Living Mississauga Foundation, Community Foundation of Mississauga, United Way of Peel Region, Canada Summer Jobs, Building location, staff salaries and support through WDDS and OMCSS, etc.
Recycling depot	James Bay Association for Community Living	Moosonee, ON	Recycling depot				Building location, staff salaries and support through WDDS and OMCSS, etc.
Sears distribution centre	James Bay Association for Community Living	Moosonee, ON	Sears catalogue orders and delivery	3 part-time	Salary; at or above minimum wage		Building location, staff salaries and support through WDDS and OMCSS, etc.
Hawkesbury Antiques	Groupe Convex	Hawkesbury, ON	Antique restoration	16	Salary; at or above min wage	\$52,700	Services to Children & Adults of Prescott & Russell, Trillium Foundation, various grants;

							pay fee to parent for administrative services
Recycle Action	Groupe Convex	Hawkesbury, ON	Cardboard recycling	28	Salary; at or above minimum wage	\$75,000	As above
The Harvesters	Groupe Convex	Casselman, ON	Farm labour	14	Salary; at or above minimum wage	\$33,000	As above
Cafe Le Plateau	Groupe Convex	Hawkesbury, ON	Café Catering	6	Salary; at or above minimum wage	\$95,000	As above
Casselman Woodshop	Groupe Convex	Casselman, ON	Manufacturing; woodworking	26	Salary; at or above minimum wage	\$250,000	As above
Express Net	Groupe Convex	Hawkesbury, ON	Outdoor maintenance, interior painting, moving services		Salary; at or above minimum wage		As above
Charles Printing	Groupe Convex	Hawkesbury, ON	Printing and assembly	4	Salary; at or above minimum wage	\$240,000	Services to Children & Adults of Prescott & Russell, Trillium Foundation, various grants; Brewer's Retail Inc. provides materials and covers the 'spot fee' (location rental fee); parent organization provides delivery truck; job support staff paid by OMCSS
L'Arche Daybreak Craft Studio	L'Arche Daybreak	Richmond Hill, ON	Retail crafts				Parent organization provides the building and truck for

							deliveries; job support staff paid by OMCSS
L'Arche Daybreak Woodery	L'Arche Daybreak	Richmond Hill, ON	Wood products for commercial, industrial and residential applications				
Best Pack	Community Living Oakville	Oakville, ON	Packaging and assembly	>100 with ID			
The Used Book Store	Community Living Association (Lanark County)	Carleton Place, ON	Used bookstore		Wage, unspecified		
Everything Under the Sun	Community Living Manitoulin	Mindemoya, ON	Consignment store and some retail lines	8			Community Living
Drop n' Shop	Community Living Hamilton	Hamilton, ON	Thrift store	12; 6 with ID	Salary; at or above minimum wage		Wages paid by parent organization
REDI Enterprises	REDI - Rehabilitation and Employment for Development Independence	Medicine Hat, AB	Bottle depot	40 total; 8-10 have ID or MH disability	Salary; at or above minimum wage	\$2 million	Of \$12 million operating budget, \$7 million from fundraising; also layering of grants, money for pilot programs
REDI Recycling	REDI - Rehabilitation and Employment for	Medicine Hat, AB	Recycling plant	41 total; 8-10 have ID or MH challenge	Salary; at or above minimum wage	\$1 million	Of \$12 million operating budget, \$7 million from fundraising; also layering of grants, money for pilot programs

	Development Independence						
Vecova Bottle Depot	Vecova	Calgary , AB	Bottle plant Recycling depot	11 PWD, 9 FTE	Salary; at or above minimum wage		Self-sustaining,
Vecova Beverage Container Pick-Up	Vecova	Calgary, AB	Recycling	3 PWD, 1.3 FTE	Salary; at or above minimum wage		Self-sustaining
Vecova recycling contract with University of Calgary	Vecova	Calgary, AB	Contract with University of Calgary to recycling paper materials.	27 PWD, 2.6 FTE	Salary, unspecified; determined by negotiated contract		Self-sustaining
Airport baggage cart retrieval	Vecova	Calgary, AB	Airport baggage cart retrieval	15 PWD, 10 FTE	Salary, unspecified; determined by negotiated contract		Self-sustaining
Recycle Plus	Grande Prairie and District Association for Persons with Developmental Disabilities	Grande Prairie	Bottle return and recycling depot				
Cosmos Group of Companies	Cosmos Group of Companies	Red Deer , AB	Bottle depots and recycling centres	40 people, (5-7% with ID)	Salary; at or above minimum wage		None
Starworks	Developmental Disabilities Association	Vancouver, BC	Packaging and assembly Light manufacturing	45		500,000	United Way, community grants

Yard 'n Works	Burnaby Association for Community Inclusion	Burnaby, BC	Lawn and garden maintenance				
Action Packaging	Burnaby Association for Community Inclusion	Burnaby, BC	Packaging	27			
Don't Sweat It	posAbilities BC	Burnaby, BC	Lawn and garden maintenance Recycling				
Blade Runner Shredding Service	Cranbrook Society for Community Living	Cranbrook, BC	Paper shredding	6	Salary; at or above minimum wage	\$90,000	Provincial funding for manager's salary; Building, equipment, vehicles owned by parent organization
City of Trail Landscaping & Downtown Crew	Community Development Services / Trail Association for Comm. Living	Trail, BC	Landscaping Lawn and garden maintenance	16	Salary; at or above minimum wage	Nominal	General operating support for all TACL/CDS businesses from Vancouver Foundation; The City of Trail pays for job coaching, provides equipment
Gyro Park Concession Stand	Community Development Services / Trail Association for Community Living	Trail, BC	Concession stand	25	\$100/month training allowance		Revenue + some provincial funding; General operating support for all TACL/CDS businesses from Vancouver Foundation; City of Trail owns concession stand; they pay a lease rent based on sales
Thrifty Treasures	Community Development Services / Trail Association for Community Living	Trail, BC	Thrift store	27	Training allowance, \$100/month	\$20,000	As above



Wood shop	Community Development Services / Trail Association for Community Living	Trail, BC	Woodworking and sales	15	Training allowance, \$100/month	Nominal	As above
Mobile Work Crew	Fraserside Community Services Society	New Westminster, BC	Outdoor maintenance, lawn care, power washing, maintenance	7	Salary; at or above minimum wage	\$40-50,000	Managers' wages funded by provincial government; Office space, wages, operating costs are agency funded
Kindale Industries	EnVision Community Living	Steinbach, MB	Woodworking packaging and assembly; Sewing and textiles; Screen printing; Commercial laundry	>100			
L'Arche Tova Café	L'Arche Winnipeg Inc.	Winnipeg, MB	Café Catering				
Riverside Grill	Community Living Selkirk	Selkirk, MB	Restaurant	5	Pro-rated; four levels of wage leading up to minimum wage		Building, equipment owned by parent organization
Eastman Recycling Services	EnVision Community Living	Steinbach, MB	Recycling				
VON Broadening Horizons Recycling	Broadening Horizons Program	Gander, NFLD	Recycling	Up to 12; 5-6 with ID	Minimum wage	Nominal	Provincial government (annual operating grant), Town of Gander (\$40K annually), VOCCM Cares Foundation, Shell Environment Fund (one-time

							\$5K grant) Scotia Recycling (rental space at its depot, large sorting bags, tubs, use of a paper bailer)
Island Furniture Association	None	St. John's , NFLD	Furniture retail	24; 8 with ID	Salary; at or above min wage, plus benefits	\$12 million	None
Summer Street catering	Summer Street Industries	New Glasgow, NS	Catering	15	Salary; at or above min wage		Dept. of Community Services funds 42%; In-house businesses use Summer Street's location
Summer Street Trophies and Awards	Summer Street Industries	New Glasgow, NS	Trophy and awards sales Engraving	1	Salary; at or above min wage		Dept. of Community Services funds 42%; In-house businesses use Summer Street's location
Summer Street Mailing and Packaging	Summer Street Industries	New Glasgow, NS	Mailing and packaging		Salary; at or above min wage		Dept. of Community Services funds 42%; In-house businesses use Summer Street's location
Summer Street janitorial services	Summer Street Industries	New Glasgow, NS	Off-site janitorial services		Salary; at or above min wage		Dept. of Community Services funds 42%; In-house businesses use Summer Street's location
What's Cooking Commercial Kitchen Services	Flowercart	New Minas, NS	Commercial kitchen for food manufacturing, cooking	7 (on call or seasonal)	Salary; at or above minimum wage		Space and equipment owned by Flowercart
SARCAN Recycling	SARC (Saskatchewan Association of Rehabilitation Services)	Saskatoon, SK	Beverage depot, Recycling Paint and end-of-life electronics recycling	675, 470 with ID	Salary; at or above minimum wage	\$31,259, 496	Self sustaining

