Intersections and Innovations

Change for Canada's Voluntary and Nonprofit Sector

The Muttart Foundation

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Acknowledgements

For far too long, Canada has lacked a comprehensive resource examining Canada's charitable sector. That has now ended.

The Muttart Foundation has spent many years focusing on building the capacity of charities in this country. The publication of this collection is another contribution to that effort. By understanding more about itself, the sector can continue to develop and find new ways to serve Canadians and those in need outside our nation.

The authors of these essays bring different perspectives on the role and inner workings of Canada's charities. Collectively, they bring an unprecedented insight into the work of organizations whose diversity is exceeded only by their desire to serve.

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The work of all of these individuals has come together in this resource which we dedicate to all of those in, or interested in, Canada's charitable sector.

Malcolm Burrows, President

Bob Wyatt, Executive Director

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Chapter 1

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Chapter 2

Lasby, David and Barr, Cathy (2021) State of the Sector and Public Opinion about the Sector. In Susan D. Phillips and Bob Wyatt (Eds.), *Intersections and Innovations: Change for Canada's Voluntary and Nonprofit Sector.* Edmonton, AB, Canada: Muttart Foundation

Chapter 3

Marshall, Dominique (2021) Four Keys to Make Sense of Traditions in the Nonprofit Sector in Canada: Historical Contexts. In Susan D. Phillips and Bob Wyatt (Eds.), *Intersections and Innovations: Change for Canada's Voluntary and Nonprofit Sector.* Edmonton, AB, Canada: Muttart Foundation

Chapter 4

Wyatt, Bob (2021) It Should Have Been So Simple: The Regulation of Charities in Canada. In Susan D. Phillips and Bob Wyatt (Eds.), *Intersections and Innovations: Change for Canada's Voluntary and Nonprofit Sector.* Edmonton, AB, Canada: Muttart Foundation

Chapter 5

Chan, Kathryn and Vander Vies, Josh (2021) The Evolution of the Legal Meaning of Charity in Canada: Trends and Challenges. In Susan D. Phillips and Bob Wyatt (Eds.), *Intersections and Innovations: Change for Canada's Voluntary and Nonprofit Sector.* Edmonton, AB, Canada: Muttart Foundation

Chapter 6

Manwaring, Susan and Kairys, Katrina (2021) Regulating Business Activity. In Susan D. Phillips and Bob Wyatt (Eds.), *Intersections and Innovations: Change for Canada's Voluntary and Nonprofit Sector*. Edmonton, AB, Canada: Muttart Foundation

Chapter 7

Phillips, Susan D., Dougherty, Christopher, and Barr, Cathy (2021) The Fine Balance of Nonprofit Sector Self-Regulation: Assessing Canada's Standards Program. In Susan D. Phillips and Bob Wyatt (Eds.), *Intersections and Innovations: Change for Canada's Voluntary and Nonprofit Sector*. Edmonton, AB, Canada: Muttart Foundation

Chapter 8

Charters, Owen (2021) Board Governance in Practice. In Susan D. Phillips and Bob Wyatt (Eds.), *Intersections and Innovations: Change for Canada's Voluntary and Nonprofit Sector*. Edmonton, AB, Canada: Muttart Foundation

Chapter 9

Grasse, Nathan and Lam, Marcus (2021) Financing Canadian Charities: The Conditional Benefits of Revenue Diversification. In Susan D. Phillips and Bob Wyatt (Eds.), *Intersections and Innovations: Change for Canada's Voluntary and Nonprofit Sector*. Edmonton, AB, Canada: Muttart Foundation

Chapter 10

Hale, Sharilyn (2021) Giving and Fundraising Trends. In Susan D. Phillips and Bob Wyatt (Eds.), *Intersections and Innovations: Change for Canada's Voluntary and Nonprofit Sector*. Edmonton, AB, Canada: Muttart Foundation

Chapter 11

Glogovac, Marina (2021) New Technologies and Fundraising. In Susan D. Phillips and Bob Wyatt (Eds.), *Intersections and Innovations: Change for Canada's Voluntary and Nonprofit Sector*. Edmonton, AB, Canada: Muttart Foundation

Chapter 12

Fontan, Jean-Marc and Pearson, Hilary (2021) Philanthropy in Canada: The Role and Impact of Private Foundations. In Susan D. Phillips and Bob Wyatt (Eds.), *Intersections and Innovations: Change for Canada's Voluntary and Nonprofit Sector*. Edmonton, AB, Canada: Muttart Foundation

Chapter 13

Khovrenkov, Iryna (2021) Canada's United Way Centraide as a Community Impact Funder: A Reinvention or a Failed Endeavour? In Susan D. Phillips and Bob Wyatt (Eds.), *Intersections and Innovations: Change for Canada's Voluntary and Nonprofit Sector*. Edmonton, AB, Canada: Muttart Foundation

Chapter 14

Harji, Karim and Hebb, Tessa (2021) Impact Investing in Canada: Notes from the Field. In Susan D. Phillips and Bob Wyatt (Eds.), *Intersections and Innovations: Change for Canada's Voluntary and Nonprofit Sector*. Edmonton, AB, Canada: Muttart Foundation

Chapter 15

Raggo, Paloma (2021) Leadership in the Charitable Sector: A Canadian Approach? In Susan D. Phillips and Bob Wyatt (Eds.), *Intersections and Innovations: Change for Canada's Voluntary and Nonprofit Sector*. Edmonton, AB, Canada: Muttart Foundation

Chapter 16

Fredette, Christopher (2021) Planning for Succession in the Interests of Leadership Diversity: An Avenue for Enhancing Organizational Diversity, Inclusion, and Equity. In Susan D. Phillips and Bob Wyatt (Eds.), *Intersections and Innovations: Change for Canada's Voluntary and Nonprofit Sector*. Edmonton, AB, Canada: Muttart Foundation

Chapter 17

Akingbola, Kunle and Toupin, Lynne (2021) Human Resource Management in the Canadian Nonprofit Sector. In Susan D. Phillips and Bob Wyatt (Eds.), *Intersections and Innovations: Change for Canada's Voluntary and Nonprofit Sector*. Edmonton, AB, Canada: Muttart Foundation

Chapter 18

Uppal, Pamela and Febria, Monina (2021) Decent Work in the Nonprofit Sector. In Susan D. Phillips and Bob Wyatt (Eds.), *Intersections and Innovations: Change for Canada's Voluntary and Nonprofit Sector*. Edmonton, AB, Canada: Muttart Foundation

Chapter 19

Thériault, Luc and Vaillancourt, Yves (2021) Working Conditions in the Nonprofit Sector and Paths to Improvement. In Susan D. Phillips and Bob Wyatt (Eds.), *Intersections and Innovations: Change for Canada's Voluntary and Nonprofit Sector*. Edmonton, AB, Canada: Muttart Foundation

Chapter 20

Russell, Allison, Speevak, Paula, and Handy, Femida (2021) Volunteering: Global Trends in a Canadian Context. In Susan D. Phillips and Bob Wyatt (Eds.), *Intersections and Innovations: Change for Canada's Voluntary and Nonprofit Sector*. Edmonton, AB, Canada: Muttart Foundation

Chapter 21

Shier, Micheal L. (2021) Social Innovation and the Nonprofit and Voluntary Sector in Canada. In Susan D. Phillips and Bob Wyatt (Eds.), *Intersections and Innovations: Change for Canada's Voluntary and Nonprofit Sector*. Edmonton, AB, Canada: Muttart Foundation

Chapter 22

McCort, Kevin and Phillips, Susan D. (2021) Community Foundations in Canada: Survive, or Thrive? (with apologies to lawn bowlers). In Susan D. Phillips and Bob Wyatt (Eds.), *Intersections and Innovations: Change for Canada's Voluntary and Nonprofit Sector*. Edmonton, AB, Canada: Muttart Foundation

Chapter 23

Murphy, Colette (2021) Community Wealth Building: A Canadian Philanthropist's Perspective. In Susan D. Phillips and Bob Wyatt (Eds.), *Intersections and Innovations: Change for Canada's Voluntary and Nonprofit Sector*. Edmonton, AB, Canada: Muttart Foundation

Chapter 24

Doberstein, Carey (2021) Collaboration: When to Do It and How to Do It Right. In Susan D. Phillips and Bob Wyatt (Eds.), *Intersections and Innovations: Change for Canada's Voluntary and Nonprofit Sector*. Edmonton, AB, Canada: Muttart Foundation

Chapter 25

Munshi, Shereen and Levi, Elisa (2021) Indigenous Peoples, Communities, and the Canadian Charitable Sector. In Susan D. Phillips and Bob Wyatt (Eds.), *Intersections and Innovations: Change for Canada's Voluntary and Nonprofit Sector*. Edmonton, AB, Canada: Muttart Foundation

Chapter 26

Stauch, James, Glover, Cathy, and Stevens, Kelli (2021) The Business–Community Interface: From "Giving Back" to "Sharing Value." In Susan D. Phillips and Bob Wyatt (Eds.), *Intersections and Innovations: Change for Canada's Voluntary and Nonprofit Sector*. Edmonton, AB, Canada: Muttart Foundation

Chapter 27

Laforest, Rachel (2021) Transforming Health and Social Services Delivery Systems in Canada: Implications for Government–Nonprofit Relations. In Susan D. Phillips and Bob Wyatt (Eds.), *Intersections and Innovations: Change for Canada's Voluntary and Nonprofit Sector*. Edmonton, AB, Canada: Muttart Foundation

Chapter 28

White, Deena (2021) Contentious Collaboration: Third Sector Service Delivery in Quebec. In Susan D. Phillips and Bob Wyatt (Eds.), *Intersections and Innovations: Change for Canada's Voluntary and Nonprofit Sector*. Edmonton, AB, Canada: Muttart Foundation

Chapter 29

Levasseur, Karine (2021) Policy Capacity: Building the Bricks and Mortar for Voluntary Sector Involvement in the Public Policy Process. In Susan D. Phillips and Bob Wyatt (Eds.), *Intersections and Innovations: Change for Canada's Voluntary and Nonprofit Sector*. Edmonton, AB, Canada: Muttart Foundation

Chapter 30

Houston, Sandy (2021) Evolving Relationships with Government: Building Policy Capacity. In Susan D. Phillips and Bob Wyatt (Eds.), *Intersections and Innovations: Change for Canada's Voluntary and Nonprofit Sector.* Edmonton, AB, Canada: Muttart Foundation

Chapter 31

Northcott, Allan (2021) Reflections on Teaching Public Policy Advocacy Skills. In Susan D. Phillips and Bob Wyatt (Eds.), *Intersections and Innovations: Change for Canada's Voluntary and Nonprofit Sector.* Edmonton, AB, Canada: Muttart Foundation

Chapter 32

Lauzière, Marcel (2021) A Lever for Change: How Foundations Can Support Public Policy Advocacy. In Susan D. Phillips and Bob Wyatt (Eds.), *Intersections and Innovations: Change for Canada's Voluntary and Nonprofit Sector.* Edmonton, AB, Canada: Muttart Foundation

Chapter 33

Ruff, Kate (2021) Social and Environmental Impact Measurement. In Susan D. Phillips and Bob Wyatt (Eds.), *Intersections and Innovations: Change for Canada's Voluntary and Nonprofit Sector.* Edmonton, AB, Canada: Muttart Foundation

Chapter 34

Lenczer, Michael, Bourns, Jesse, and Lauriault, Tracey (2021) Big Data Won't Save Us: Fixing the Impact Evaluation Crisis. In Susan D. Phillips and Bob Wyatt (Eds.), *Intersections and Innovations: Change for Canada's Voluntary and Nonprofit Sector.* Edmonton, AB, Canada: Muttart Foundation

Chapter 35

Herriman, Margaret (2021) Social Media and Charities in Canada. In Susan D. Phillips and Bob Wyatt (Eds.), *Intersections and Innovations: Change for Canada's Voluntary and Nonprofit Sector.* Edmonton, AB, Canada: Muttart Foundation

Chapter 36

Riseboro, Caroline (2021) The Overhead Myth: The Limitation of Using Overheads as a Measure of Charity Performance. In Susan D. Phillips and Bob Wyatt (Eds.), *Intersections and Innovations: Change for Canada's Voluntary and Nonprofit Sector.* Edmonton, AB, Canada: Muttart Foundation

Part III Innovation and Intersections

Community and Corporate Intersections

Intersections with Governments: Services and Policy Engagement

Measuring Impact and Communicating Success

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Part III Innovation and Intersections

Community and Corporate Intersections

Chapter 23

Community Wealth Building: A Canadian Philanthropist's Perspective

Colette Murphy
Atkinson Foundation

There is an old saying in philanthropy that goes something like this: "Give someone a fish and they will be hungry tomorrow. Show them how to fish and they'll never be hungry again." I lead a philanthropic foundation that exists to change this narrative.

At the Atkinson Foundation, we do this with strategies that challenge assumptions about inequality (that it's inevitable), the economy (that it's controlled by an invisible hand), philanthropy (that it aims to fix individuals and their problems), and the systems that perpetuate them (that deep structural change is impossible).

Social and economic justice has been our focus since 1942. Even though we've had a laser focus on the problem of poverty for decades, income and wealth inequality continues to rise unchecked. This fact led us to refocus on the solutions of decent work and a fair economy in 2014 – and to pick up new community-wealth-building tools to help construct them.

Learning while Building Community Wealth

In May 2014, two private-sector construction consortiums were preparing to enter their final bids on Toronto's largest single investment in public transit. They were competing for the contract to construct Toronto's Eglinton Crosstown light rail transit (LRT) line, a 19-kilometre, 25-station route in which the regional transportation agency Metrolinx was preparing to invest $5.3 billion through 2021 – one of many major projects planned for the next decade in the region. In the lead-up to their submissions, Metrolinx invited the final bidders to a meeting at the North York Civic Centre and introduced both teams to a coalition called the Toronto Community Benefits Network (TCBN).

TCBN started to take shape in 2012 out of organizing work by residents in the Weston–Mount Dennis neighbourhood. A number of community, nonprofit, and labour groups, supported by the Atkinson Foundation and other philanthropic organizations, rallied around an ambitious goal: creating opportunities for historically excluded communities through the development of the Eglinton Crosstown LRT. They envisioned economic opportunities like new jobs and apprenticeships. They also saw opportunities to engage the residents most affected by the build on their own terms – not only as stakeholders with an interest in the project, but as shareholders and citizens with democratic power to participate in decision-making.

At its founding, TCBN knew that Metrolinx was preparing to spend more than $5 billion in public funds on the new LRT. It knew that the project was about to bring major construction work to a stretch of the city that included five of Toronto's lowest-income neighbourhoods and where many residents faced persistent barriers to opportunity. It knew that residents of these areas would experience the disruption of construction in the near-term and were not likely to share in the economic benefits of the new transit line. There were no clear pathways to jobs related to the LRT's construction for residents. And once the line was complete, rising property values in the area would likely leave many vulnerable to displacement. They would not ultimately benefit from the improved connectedness of the neighbourhood.

Development had already played a contributing role in the growing polarization of income and wealth in Toronto and the surrounding region over the last 20 years. TCBN and its allies resolved to reverse this trend by demonstrating how public investments can do double duty: modernize infrastructure and reduce costly inequities.

Inspired by examples of successful organizing efforts in the United States, TCBN wanted to find new ways for residents living near the Eglinton LRT to share in the benefits of the line's construction. They expected them to emerge from the development process with more power and prosperity than they'd had before. They started to articulate a set of "community benefits" such as jobs, training, apprenticeships, social enterprises, and strategies aimed at greater economic inclusion and democratic engagement.

Organizers found a receptive partner in Metrolinx. In April of 2014, TCBN and Metrolinx co-signed a Community Benefits Framework, committing in principle to incorporating community-benefits expectations into all of the transportation agency's major Toronto projects. This meant that bidders would have to articulate how they would devote a share of the project's resources to local needs and aspirations – whether training and hiring local workers, building local amenities, or otherwise enhancing the community.

Representatives of the two final construction bidders gathered at the North York Civic Centre the following month to hear presentations from the TCBN. At the meeting, firms were introduced to the principles and mechanics of "community benefits" as a tool for equitable economic development. How the presentation was delivered, and by whom, made the idea come alive. The construction firms faced a strong coalition of coordinated, disciplined community representatives – who collectively had the backing of the public agency that controlled the project's budget. The community coalition had been preparing for more than two years and proved that it was ready to sit at the table with the successful bidder and articulate expectations for how local people and businesses should share in the economic opportunity represented by the new LRT.

This strategic consolidation of community power for collective benefit is painstaking work. The building of shared principles, trust, and new forms of collaborative leadership can be as complex and challenging as building a transit line. It is, nonetheless, a prerequisite to the introduction of more equitable approaches to economic development like community wealth building. This approach is gaining traction across Canada because it has started to deliver better results for more people than the traditional development process.

What Is Community Wealth Building and Why Does It Matter?

Community wealth building is an approach to local economic development that uses a range of strategies to reduce income and wealth inequality and share prosperity more equitably. It can include:

- Community benefits agreements (CBAs): these agreements harness major project spending – either by government or private developers – to support workforce development, the creation of affordable housing, and other neighbourhood improvements that support economic inclusion. They can be stand-alone contractual agreements between a community and a developer, or they can be provisions embedded into contracts that govern the procurement of goods or services (like the Eglinton LRT). Agreements vary in their degrees of specificity (for instance, with respect to hiring targets) and enforceability.
- Social procurement by anchor institutions – entities like hospitals, colleges, and universities that have strong local roots – which can use their operational spending to advance goals like equitable economic development, affordable housing, and environmental sustainability.
- Co-ops and worker-owned businesses that are governed democratically, share profits more equitably, and keep revenues circulating locally, as opposed to enriching shareholders and fuelling a corporation's expansion elsewhere.

Decades ago, communities seeking economic development would compete with each other to persuade large corporations to set up offices or plants, bringing jobs to build the local tax base and fuel local spin-off businesses. Many communities have been economically destabilized, however, when their main employer has left for cheaper labour abroad or better tax and regulatory regimes. Globalization and technological change have combined to make it easier to move capital and jobs around the world. Creating effective ways for prosperity to take root and grow in place – not parachute in – is a more realistic ambition going forward.

I first became aware of community wealth building in 2012 when I attended a New Economy Coalition conference. A session led by two people associated with community-wealth-building work in Cleveland left a deep impression on me. One was a staffer with the US-based

Democracy Collaborative, an organization that did significant early work to explore and develop the possibilities of this approach; the other was a worker-owner in an industrial laundry operation that served institutions anchored in Cleveland.

Two things stood out about their model. First, it was rigorously asset-focused: it looked at communities with an eye to the existing strengths that could mitigate inequities and drive prosperity. Cleveland had consistently ranked among the poorest cities in America. But its residents were entrepreneurial and eager to work and contribute. The city's largest institutions had operating budgets and needed goods and services. Money and opportunity could begin to flow locally as people made new choices about how to engage with each other. The Evergreen Cooperative Laundry was founded to unlock some of that potential. A recently announced operating partnership with Cleveland Clinic will triple the size of Evergreen Cooperative Laundry, from 50 employees to 150. The result could soon be a $12- to $14-million impact on the local economy (Rose, 2018).

Second, as an economic development strategy, community wealth building is fiercely place-based. It looks at the unique strengths and assets of a particular community and asks how those qualities can become the foundation of local prosperity – and meet unique local needs. These strategies are highly tailored to particular places. Therefore, they're more likely to result in a positive-sum game in which no one wins at someone else's expense (unlike when multiple communities compete to attract a single new plant: a zero-sum game with too few winners).

Community-wealth-building approaches leverage the combined power of individuals, community groups, unions, local businesses, governments, and anchor institutions to enable each to act in their own self-interest and collaborate to make their cities stronger, fairer, and healthier. As these groups collaborate, reservoirs of trust and familiarity grow. Everyone increases their stake in the success and well-being of the entire community, and different actors can see each other's contributions and opportunities to do better more clearly.

Although community wealth building is place-based, its ambitions are not exclusively local. As cities and towns adopt economic development strategies that prioritize equity, sustainability, and other shared priorities, they can begin to move the dial on national and global issues like inequality and climate change. People working for equitable economic development usually recognize that the struggles of their own city or town have local particularities but they're by no means isolated. Local economic hardship is driven by profound changes that are transforming our economies and the entire category of work. In Canada, a person living in poverty is more likely to work than not, meaning that employment is no longer a reliable ladder out. This development affects people in communities everywhere.

The employment landscape will continue to change, likely in ways we can't predict or even prepare for. That's why the Atkinson Foundation's preoccupation with equitable economic development is about more than jobs and employment training. It's about more than labour market research and policy development. It's about working alongside communities to build income, build assets, and – critically – build agency and democratic power for those groups who continue to be severely harmed by traditional economic thinking and strategies.

A Very Short History of Community-Wealth-Building Work

Specific community-wealth-building practices have been developed in different places over the past few decades – from an innovative social procurement policy in the city of Manchester, England, in 1984 to the first community-driven CBA, in Los Angeles in 2001. Over time, many people and organizations engaged in equitable economic development have come to see these diverse practices as tools in a larger toolkit for community wealth building.

The Los Angeles Alliance for a New Economy (LAANE) was an early architect of the CBA model in the United States. Following some successful efforts to integrate community employment needs into commercial development projects in the 1990s, LAANE became involved early in the planning of the Staples Center, a sports and entertainment arena that was completed in 2001. The organization spent nine months negotiating community benefits related to the new facility, striking a deal with the developer that is widely seen as the first example of a fully formed CBA. Local organizers later applied the model in other cities across the US, including Oakland, Seattle, San Francisco, and New York.

Persuaded by the success of CBAs in various contexts across the country, some governments and institutions in the US have adopted policies requiring major projects to include community benefits. An early test bed for the CBA model, Los Angeles has been active to this end. To name just one example: the LA County Metropolitan Transportation Authority adopted labour agreements oriented to community benefits as it embarked on a multi-year transit investment program, setting specific targets for members of historically excluded populations, people living in low-income neighbourhoods, and apprentices.

CBAs are not the only community-wealth-building tool being used in American cities. Cleveland emphasizes the procurement strategies of anchor institutions and on worker-owned businesses like the one described to me.

To the extent that governments and institutions in the US have adopted community-wealth-building policies and practices, they've generally been influenced by strong and persuasive grassroots community organizing efforts. The growth of the community wealth approach in the US has been a largely bottom-up process.

In the United Kingdom, by contrast, the spread of social-procurement and community-benefits tools has been led from the top down – primarily by foundations and governments. Toronto-based lawyer and researcher Dina Graser notes that although the earliest social procurement policy in the UK was written as far back as 1984 (the Manchester example), the practice was not adopted more broadly at the time, "in part because of uncertainty about how it would be affected by European Union regulations" (Graser, 2016).

In the early 2000s, the Scottish government, informed by a Joseph Rowntree Foundation report, began to explore the potential of new procurement approaches to maximize the social impact of infrastructure, operational, and other investments. Public entities there carried out a number of pilot projects between 2004 and 2006, and the success of these initiatives fuelled support in Scotland and beyond for the use of "social clauses" in public contracts.

Other jurisdictions, including Wales and Northern Ireland, piloted and adopted various approaches to community benefits and social procurement during the same period. Although the UK government has a social procurement framework that applies in England and parts of Wales, the 2013 Social Value Act did not set out mandatory provisions. It's generally seen as an aspirational statement as opposed to a concrete mechanism for change. Much of the strength of community-benefits and social-procurement work in England resides not at the national level but in municipalities like Birmingham and Preston. By contrast, the Scottish government's 2014 Procurement Reform Act (PRA) is mandatory, enforceable, and strategic. As Dina Graser writes, it "not only puts mandatory requirements in place, but also includes statutory guidance tying the PRA to national outcomes" (Graser, 2016).

Community-wealth-building practices in Canada have been influenced by both US (bottom-up) and UK (top-down) approaches. Canadian efforts have had a hybrid quality, with communities driving some progress and municipal and provincial governments also getting involved early and providing active leadership through policy frameworks. Community-benefits initiatives in this country have invariably proceeded with at least some government support, in contrast to the US, where communities originally had to marshal as much power as they could on their own to persuade private developers to engage with them. On the other hand, Canadian approaches have not been government-driven to the same degree that efforts in, say, Scotland have been. Scottish communities have organized to articulate their own challenges and establish their own negotiating positions, with varying degrees of engagement from governments and from public agencies like Metrolinx.

The first major urban initiative in Canada that incorporated community-benefits thinking and practice was the transformation of Toronto's Regent Park neighbourhood, a public housing development that became a mixed-use community with affordable and market-rate housing. The neighbourhood's developer made local hiring part of its lease agreement with retail tenants, requiring that 10% of new enterprises' full-time employees be locally hired. This measure created 964 jobs specifically for local residents.

Other initiatives have followed. The Vancouver Olympic Village, built for the 2010 Winter Games, included a CBA between the facility's developer, a community agency, and the City of Vancouver that led to the creation of 120 jobs for targeted inner-city residents as well as $42 million in procurement spending with inner-city businesses. Toronto's Pan Am Games used local purchasing provisions to ensure that large shares of the procurement spending related to the Games were directed to local and Canadian businesses, and to enterprises owned by members of historically excluded populations (Van Ymeren & Ditta, 2017).

The Eglinton Crosstown LRT: A Community-Benefits Landmark for Canada

The Eglinton Crosstown LRT is the most substantial community-benefits initiative in Canada to date, and it serves as a useful case study for a more detailed discussion of the mechanics of agreements that respond to community priorities related to economic inclusion.

On one side of the initiative was an entity seeking to execute a project. Although sometimes that entity is a private firm or a government, it was a private consortium in this case. The consortium's contract (with the public agency Metrolinx) was contingent on its engagement in the community-benefit process. On the other side of the deal was the Toronto Community Benefits Network, a coalition of individuals and organizations representing communities affected by the project and organized to advocate for a fairer distribution of economic opportunities. TCBN included labour stakeholders, social enterprises, workforce development groups, and a range of nonprofits. The two parties negotiated an agreement holding the developer to a specific number of training and employment commitments, as well as other benefits.

TCBN's demands reflected the specific local needs identified through the coalition's planning stage. One example: Toronto and the surrounding region receive a large share of newcomers to Canada each year. About 200,000 new immigrants arrive annually. Many have professional qualifications and experience from outside Canada, but it can be difficult for them to access opportunities in their fields. With this dynamic in mind, professional, administrative, and technical (PAT) jobs were included in the community-benefits provisions related to the Eglinton Crosstown.

Many of the jobs associated with big infrastructure and development initiatives are not in construction. Since a lot of technical groundwork has to be laid before shovels break ground, PAT jobs are typically available sooner than hands-on trades and building jobs. TCBN took this into account – along with the high proportion of newcomers who arrive in Canada with professional skills – in articulating community priorities. Other communities undergoing a CBA process would likely prioritize other groups for economic inclusion, depending on which local populations are subject to disadvantage and exclusion.

The community benefits associated with the Eglinton Crosstown LRT are mainly tied to employment. The agreement required the builder to subcontract with social enterprises and to ensure that historically excluded residents would have access to PAT jobs and would work 10% of all trade and craft hours on the project while also receiving apprenticeship opportunities (Metrolinx, 2016).

Generally speaking, what the entity in the "developer" role gets out of negotiating community benefits is community support – and in particular reduced risk of costly and time-consuming local opposition, up to and including litigation. As noted earlier, organizing for community benefits builds a reservoir of trust among different community entities – like residents, labour groups, and nonprofits. A developer who engages in good faith can also draw from that reservoir, proceeding with more confidence about maintaining community support if there are bumps on the road as the project proceeds. A community deeply entrenched against a major building project can not only cause costly delays, but can derail the initiative altogether. The cost of a CBA may be, in fact, lower than the cost of these disruptions. A US study drew this conclusion: “CBAs, despite their costs and challenges, are preferable because they frequently resolve disagreements about public project approvals in advance, thus avoiding the costly and time consuming court process” (De Barbieri, 2016). In the case of the Eglinton Crosstown LRT, litigation may not have posed an existential threat to the project, but as a public agency, Metrolinx had multiple reasons to have a productive working relationship with the community to realize shared goals.

The negotiation of community-benefit provisions, a multi-year process in this case, is just the beginning. Experience to date across many jurisdictions suggests that the efficacy of a community-benefits approach rests in the kinds of targets set, whether those targets are enforceable, the mechanisms the stakeholders develop for monitoring and enforcement, and the supports available to help developers deliver on their commitments. For instance, suppose a developer commits to reserving a certain share of trade and craft jobs for young people who have faced persistent barriers to employment. If those young workers are recruited and hired, it may take time and investment to reach a point where they’re present, engaged, contributing to the project, and building their skills. Providing the young workers with the support they need to reach that outcome is not within the skills or mandate of the builder. Other mechanisms are needed to support success – making the commitment meaningful and substantive so that the benefits of the process “stick,” not only until the conclusion of the project but well beyond.

Anchor Institutions: Sustained Social Procurement for Community Wealth Building

Although proponents of CBAs hope that the deals they negotiate will have a social impact long after the last brick has been laid, infrastructure projects are finite: when they’re built, they’re built. There is, however, an ongoing need for people to operate and maintain most new assets – an ongoing opportunity to work on economic inclusion.

Institutions that anchor any community, like hospitals, colleges, universities, and municipalities, can deliver on their public-interest mandate by leveraging their operational resources. Community wealth builders call them “anchor institutions” because their assets are rooted in a particular place. When they adopt an “anchor mission” alongside their core mission, they deliberately deploy their long-term, place-based economic power to strengthen a local community, especially neighbourhoods where people face historic and other barriers to economic opportunity.

Institutions like hospitals and municipalities are usually among a region’s biggest employers, and they are also among the largest purchasers of goods and services. They also tend to have significant fixed assets, endowments, and real estate holdings that can be used to drive economic development. They’re unlikely to leave their communities, due to some combination of their mission and history. They exist to provide services in a specific jurisdiction, and they have no motivation to move to a more favourable tax environment.

The idea that large local institutions should contribute to their communities is not a new one. As capital has become more mobile, many communities have sustained severe economic harm when employers have moved to cheaper labour markets. Institutions are sources of "sticky capital" and are increasingly becoming key actors in local strategies for sustainable economic development.

When anchor institutions adopt social procurement policies, they're typically acting in alignment with their own interests and their own missions, not with a benevolent or charitable motive. A thoughtful procurement strategy pursued in tandem with a core mission like health or education can make communities stronger by every measure. Common anchor strategies include:

- directing a greater percentage of purchasing power toward local vendors;
- hiring a greater percentage of the workforce locally;
- providing workforce training for people who need assistance in the community;
- incubating the development of new businesses, including social enterprises and nonprofits;
- leveraging real estate development to promote local retail, employer-assisted housing, and community land trusts; and
- using pension and endowment funds to invest in local job-creation strategies and to provide community venture capital for nonprofits, entrepreneurs, and employee-owned firms.

Although the potential of anchor institutions as economic drivers is considerable, it can be difficult for large institutions to embrace this role. In some cases the barrier is largely cultural. If boards and executives are intently focused on a primary mission like providing great clinical care or running an excellent library, they can be reluctant to engage in broad conversations about how they participate in the economic life of their region. In other cases the barrier is legal. Some institutions believe that the strictly governed frameworks that control their procurement choices leave them little latitude to exercise a new strategy. Evidence from a number of jurisdictions indicates that these barriers – and others – can be surmounted with knowledge, creativity, and commitment.

The City of Toronto has been an innovative leader, approaching its own procurement in new ways and supporting community benefits related to projects that affect its millions of residents. In addition to adopting a social procurement policy in 2013 and an implementation program in 2016 as part of a broader poverty-reduction strategy, Toronto was a partner in the development of the community benefits associated with the Eglinton Crosstown LRT. Toronto's social procurement program had its first full year of operation in 2017. That year, the program's supply-chain-diversity provisions resulted in 42 small-scale contracts (each under $50,000 in value) being awarded to businesses owned by Indigenous people, racialized people, or women. The policy applied to larger contracts as well, but data on those were not yet available as of this writing. As for workforce development, the city included employment opportunities for equity-seeking groups as part of 17 large-scale capital procurement projects in 2017, a figure that is set to nearly double in 2018 (Operation Budget, 2018). It's now in the process of developing a policy framework that will build community benefits into development projects with private developers.

When the City of Toronto first began developing its social procurement framework, the Atkinson Foundation could see that the city likely wasn't alone in seeking ways to use its spending power to maximize public benefit. Along with city staff, we seeded and cultivated a network of institutions dedicated to working together to craft a social procurement strategy that emphasized local purchasing, sustainability, and other shared priorities. In addition to the two founding anchors, the network (known now as AnchorTO) includes Centennial College, George Brown College, GO Transit, Humber College, Metrolinx, Ryerson University, Seneca College, the Toronto Public Library, the Toronto Transit Commission, Toronto Community Housing, United Way Toronto and York Region, the University of Toronto, the University of Toronto (Scarborough), York University, and the Ontario Trillium Foundation. Together, we're crafting a social procurement blueprint focused on two key areas – supply chain diversity and workforce development – and are optimistic about the collective impact we can have with more than $17 billion in combined annual collective procurement spending.

Canada's Community Wealth Builders

Energized by the success of CBAs, social procurement strategies by anchor institutions, and evidence from other countries, community-wealth-building practices have captured the imaginations of Canadian policy-makers and community organizers.

In 2015, Toronto City Council approved the creation of a large casino complex in the west-end neighbourhood of Rexdale. The approval was dependent on the casino developer's fulfillment of nine conditions related to community benefits, including the employment of local residents in the operation of the new venue. The city required that at least half the jobs reserved for local workers be full-time. As reported in the *Toronto Star* by two members of the TCBN, Mayor John Tory concluded a meeting with the casino's operators by emphasizing that the venture, expected to be highly profitable over its 22-year contract, would have to keep earning social licence over time: "We are here to protect the public interest ... I'll be watching very closely to see how proponents respond to need for child care, more ambitious targets, and the important question of representation" (Powell & Cartwright, 2018).

A precursor to community benefits has been operational in Toronto for many years. When developers seek permission to, for instance, build higher than existing rules allow, the city typically grants that permission in exchange for a public benefit of some kind, like the creation of a park or cash in lieu of such an amenity. Such parks are, in some sense, community benefits – but because they're produced through a government-driven process and not in response to needs articulated by residents, they differ from the kinds of community benefits achieved through the Eglinton LRT deal. The transactional elements are the same – a large business or institution grants something to a community in exchange for some form of social licence to proceed with a project – but the participatory, equity-driven, and potentially transformational elements of the best CBAs are absent. Other Ontario municipalities, including York Region, Hamilton, and Windsor, are in the process of considering similar measures (Dragicevic & Ditta, 2016).

In April of 2018, Calgary City Council directed city staff to develop recommendations for a social procurement framework. Montreal undertook a two-year pilot project from 2013 to 2015 that encouraged the local public sector (including the city) to procure goods and services from social enterprises. The initiative resulted in 27 local firms winning a combined 200 contracts worth a total of $2.5 million (Dragicevic & Ditta, 2016).

Five provinces – Nova Scotia, Quebec, Ontario, Manitoba, and British Columbia – have taken steps to incorporate social and economic benefits into their procurement practices. Yukon territory has adopted a provision that supports a strategic approach to procurement, and in particular the selection of local vendors. As of early 2018, Ontario's approach is the strongest and most comprehensive in Canada. In 2015, the provincial government enshrined a community benefits principle in the Infrastructure for Jobs and Prosperity Act declaring that:

> Infrastructure planning and investment should promote community benefits, being the supplementary social and economic benefits arising from an infrastructure project that are intended to improve the well-being of a community affected by the project, such as local job creation and training opportunities (including for apprentices, within the meaning of section 9), improvement of public space within the community, and any specific benefits identified by the community (Infrastructure for Jobs and Prosperity Act, 2015).

The passage of the act was an important moment for advocates of community benefits, especially because the Ontario government committed to a program of infrastructure spending that totalled more than $240 billion. In 2017, the province released a long-term infrastructure plan that reaffirmed its commitment to community benefits and social procurement in principle. It also set out a number of measures focused on building the province's capacity to apply these strategies effectively. The plan established a working group and set in motion five pilot projects, each of which will test and evaluate a unique, place-based CBA with distinct characteristics such as different approaches to targets. A change of government in June of 2018 leaves the fate of these initiatives uncertain. It's reasonable to expect, however, that increased awareness and expectations among a range of players connected to economic development initiatives will continue to drive community-benefits approaches.

At the federal level, a private member's bill, Bill C-344, was passed in June 2018. This measure amends the Department of Public Works and Government Services Act. It empowered the minister to require bidders on government "construction, maintenance or repair" projects to provide information about the community benefits – social, economic, or environmental – that the project would entail.

Later that month, the federal government announced that its Investing in Canada plan, a set of bilateral agreements between Infrastructure Canada and the provinces and territories, would include a community-employment-benefits requirement. The provision applies to $33 billion in major infrastructure contracts, as well as to two other funding envelopes: the new Disaster Mitigation and Adaptation Fund and the Smart Cities Challenge. According to the government's announcement, "recipients of federal funding for new major public infrastructure projects will now be asked to consider how their projects can create training and job opportunities for under-represented groups and procurement opportunities for small-to-medium sized and social enterprises" (Infrastructure Canada, 2018a). A related guidance document from Infrastructure Canada specifies that under-represented groups targeted for opportunities under the initiative include "apprentices; Indigenous peoples; women; persons with disabilities; veterans; youth; [and] recent immigrants" (Infrastructure Canada, 2018b).

Bill C-344 and the Investing in Canada plan are not the federal government's first efforts to have a positive social impact through procurement. Its Procurement Strategy for Aboriginal Business has been in force since 1996. During the strategy's first 20 years, the government awarded more than 100,000 contracts, totalling $3.3 billion in value, to Indigenous firms. In fact, Indigenous communities have led the way in the resource sector when it comes to redistributing the benefits of these projects. Stronger links and more active conversations between advocates of community-wealth-building practices in large cities and the early and current architects of impact benefit agreements on reserves and in remote communities could likely yield a wealth of insights.

The Growing Edges of Community-Wealth-Building Work

Community-wealth-building work has a lot to commend it. It "bakes" equity into economic development; it doesn't simply "sprinkle" it on. It extends the impact of both public and private investments. The very process of crafting a community-benefits strategy creates robust local coalitions that enhance a community's strength and resilience overall, making it better equipped to shape its future come what may. These benefits can be transformational, and achieving them is far from easy. For all their diversity, communities face some significant shared challenges when their leaders become community wealth builders.

Power Imbalances

If communities had the power and leverage that large institutions and corporations have, community benefits approaches would be unnecessary. The process of organizing around a CBA or social procurement initiative typically involves consolidating as much community power as possible to persuade a large, well-resourced entity like a development corporation to negotiate and partner instead of plowing ahead. Mustering a persuasive coalition – with sufficient community representation, the capacity to sit at the table where decisions are made with all parties with clear demands, and a disciplined strategy – is a major achievement. And that's just the first step.

Big Tents

The community coalitions that drive community-wealth-building work are composed of different kinds of entities: labour groups, nonprofits, residents, sometimes governments. These groups have to piece together a shared set of values, principles, and commitments to guide them through a long, complex process. Typically, each actor has to step slightly outside its usual mandate to find common ground and to partner with the others. Often they have to make sacrifices or build bridges across traditional divides; for example, labour groups and community groups can have different modes of organizing and even different interests, depending on the context. Everyone has to cede a portion of their immediate interests to help realize a larger benefit that's more widely shared.

Long Waits

It takes time to build these relationships and a sense of shared purpose and interests. The process moves no faster than the speed of trust. For people who care about income and wealth inequality, it makes obvious sense to capture a fair percentage of the enormous resources – public and private – that flow into infrastructure and development to promote economic inclusion and democratic engagement. And yet, on the Eglinton Crosstown LRT, the coalition worked intensely for three years before any community member actually started a job. It's a challenge to keep a large, diverse coalition engaged and focused for such a long time before concrete benefits appear. The importance of celebrating small wins along the way, while keeping the big picture in view, is understood by community wealth builders.

As these ideas and practices take root, collective capacity to learn from theory and experience is increasing. Actors who play different roles in the social, economic, and political system are benefiting now from the body of information, knowledge, and insight available when tackling challenges. The Atkinson Foundation is one actor among others committed to gathering and circulating this experience. But we know the power of community wealth building comes from the same source as its challenges: place.

Communities learn a lot from each other's successes and failures – and draw courage and energy from each other – but ultimately every community has to craft its own solutions, answering time and again the same core questions: By whom? With whom? To what end? And for whose benefit?

Equitable Economic Development: A Call to Action for Nonprofits

All of us want every chapter of a book or our lives to close with a forward-looking conclusion. Such a conclusion could argue that in the immediate term, it's reasonable to expect that community-wealth-building practices will continue to gain ground. They're effective, pragmatic responses to the economic challenges of our time. Major income and wealth inequality, cities and towns struggling after the departure of big industries and employers. A severely unequal economy creates especially stubborn barriers and challenges for historically excluded groups. Such a conclusion would acknowledge that some developers will be more receptive than others, that some governments will create more supportive policy environments than others, but broadly speaking, that people and organizations who believe economic development can be equitable are likely to continue finding community-wealth-building practices useful in the years ahead.

But if predictions are dubious, predictions about the future of work are even more so. So instead of sketching even the immediate future of the ideas and tools discussed in this chapter, I'll close with an argument about community-wealth-building work directed specifically to Canada's voluntary and nonprofit sector – the people who will write the next chapter of this unfinished story.

Nonprofit organizations and their leaders are civic economic actors. And as such, we wield considerable power. Nonprofits in Canada wield economic power as employers. Most have just a few staff, some have hundreds. All have power. A great many nonprofits have real estate: land and buildings and natural assets. Consider the real estate that belongs to Canadian faith-based communities alone. Foundations like Atkinson have endowments. We wield power as investors. Nonprofits of every kind and scale make procurement decisions. We wield power as consumers.

The central goal of community-wealth-building work is the recognition, reclamation, and activation of voice and agency – individually and collectively. Everyone is engaged in a process that deepens their understanding of power and an appreciation of their own. As much as we may be Davids in an economy whose Goliaths are among the most powerful in history, local economies do not exist outside of our choices and relationships. Whether we're community organizers, hospital administrators, town councillors, or engaged neighbours, we can wield the power we have strategically, in concert with others, to bring about changes we expect.

Cooperation generates even more power. Strength and resilience grow in the networks formed by social procurement strategies, the coalitions that create CBAs, and the broader circles of workers, families, and communities that benefit from these initiatives. This power is economic, but it's social and civic too. Community wealth projects offer proof of civic agency and release energy for more of the same on a wide range of issues and concerns.

Community wealth builders aim to rewrite the unfair rules of the economy to make poverty-reduction work unnecessary. In the process, they're creating the common ground needed for future generations to be safe and healthy. As academic Mary Jo Leddy reminds us, no one owns this place. We are its inhabitants. We hold a street in common, a neighbourhood, a city, a village, a vastness, she says. But what binds us as neighbours, citizens, and workers are myriad daily social, economic, and political transactions that make all of us significantly richer or poorer. Making more conscious choices about the outcome we want is a democratic right and responsibility.

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Biography

Colette Murphy, Atkinson Foundation

Colette Murphy is the CEO of the Atkinson Foundation. Colette and her team focus on strengthening movements for racial justice, decent work, and a fair economy. For more than 20 years she has been a leading voice for social and economic justice in Canada's philanthropic sector. Alongside grassroots organizers and policy innovators, Colette advocates for structural and systemic changes that centre equity and build social solidarity. Since joining Atkinson in 2014, she's been out front with several groundbreaking initiatives related to the future of workers, community wealth building and philanthro-journalism.