

## BACKGROUND

## BUSINESSES WITH A SOCIAL MISSION

## Balancing social and economic goals

Some businesses attempt to balance economic goals, such as earning a profit, with social goals, such as serving their communities in particular ways. These include businesses corporations that have a strong social mission, co-operatives, and social enterprises.

Businesses that have a strong social mission include Newman's Own, the business set up by actor Paul Newman and a colleague, which donates all of its after-tax profits (\$125 million in 20 years) to charitable causes. The Grameen Bank, the Nobel Prize winning institution, provides business credit without collateral to the very poor in Bangladesh's villages and has inspired an international movement with many replications around the world including Canada.

Like conventional businesses, co-operatives must meet the measure

of the market in order to survive. These include credit unions like Alterna and Desjardins (the sixth largest financial institution in Canada), farm marketing co-operatives like Gay Lea, consumer retailing organizations like Mountain Equipment Co-operative, and worker co-ops (businesses owned and operated by their employees) such as The Big Carrot, a natural foods supermarket in Toronto. There are co-operatives for almost every service, about 9,000 in total in Canada. Some such as La Siembra in Ottawa and Planet Bean in

Guelph are part of the fair trade movement and work with producers in poorer countries to help them obtain a better price for their products.

A surprising number of nonprofits also function as businesses in the marketplace. Travel Cuts, a share capital company that was set up in the mid-60s to assist students with travel at discounted rates, is 76 percent owned by the nonprofit associations, the Canadian Federation of Students and 24 percent by the Canadian Student Horizons Group. Similarly, the Ys across Canada are very successful



## WEB SITES

### Canadian Co-operative Association

[www.coopscanada.coop](http://www.coopscanada.coop)

### Canadian Worker Co-operative Federation

[www.canadianworker.coop](http://www.canadianworker.coop)

### Centre for Social Innovation

[socialinnovation.ca](http://socialinnovation.ca)

### Co-operatives Secretariat

[www.agr.gc.ca/rccs-src/coop/index\\_e.php](http://www.agr.gc.ca/rccs-src/coop/index_e.php)

### Enterprising Non-profits

[www.enterprisingnonprofits.ca](http://www.enterprisingnonprofits.ca)

### Ontario Co-operative Association

[www.ontario.coop](http://www.ontario.coop)

### Ontario Council for Alternative Businesses

[fourinfo.cioc.ca/record/SHA0297](http://fourinfo.cioc.ca/record/SHA0297)

### Social Economy Center, University of Toronto

[socialeconomy.utoronto.ca](http://socialeconomy.utoronto.ca)

The Social Economy Centre of the University of Toronto promotes multidisciplinary research and policy analysis on issues affecting the social economy.

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health clubs that find a way to include lower income families with discounted fees and provide other services to the community. They are health clubs, but with a social difference.

Some organizations, often referred to as social enterprises or social purpose businesses, tend to not be completely self-reliant in the market and depend to a degree upon other supports. In part this is because the people who work in them have faced special challenges.

Many social enterprises are nonprofit corporations that serve people with disabilities – psychiatric and developmental. Some examples for psychiatric disabilities in Ontario are A-Way Express, a courier service that relies upon public transportation; the Raging Spoon, a café and catering business; Abel Enterprises engaging in woodworking and cabinet making; Crazy Cooks, a catering business; Krackers Katering, and Fresh Start, engaging in cleaning and maintenance work. An excellent example of businesses for persons with developmental disabilities in the Toronto area is Lemon & Allspice and the Coffee Shed, businesses that are owned and supported by Common Ground Co-operative.

Social enterprises also are created to train youth to enter the workforce. The Print Shop at Eva's Phoenix and All-A-Board Youth Ventures are celebrated programs in Toronto, as is Kids in the Hall in Edmonton, an initiative visited by Queen Elizabeth in

2005 on her cross-Canada tour; Part du Chef in Montreal and the Cook Studio Café in Vancouver's east side are other outstanding examples. The Core Neighbourhood Youth Co-op is an umbrella association that operates subprograms targeting youth in core area of Saskatoon. One project, the Bicycle Co-op, involves a workshop through which participants fix their own bicycles and also learn to build bicycles using donated frames and parts.

Social enterprises also target recent immigrants both for employment and for training. Outstanding examples in Ontario are Haween Enterprises, a division of the Somali Women and Children's Support Network that attempts to increase employment opportunities of women refugees from war-torn Somalia; the Afghan Women's Catering Group; Northwood Neighbourhood Services, a translation business reflecting the linguistic diversity in Ontario. The PARO Centre for Women's Enterprise in Thunder Bay focuses upon training women entrepreneurs.

As can be seen, businesses that combine an economic and social mission come in many forms, but their common denominator is to strike a balance between the economic and social.

