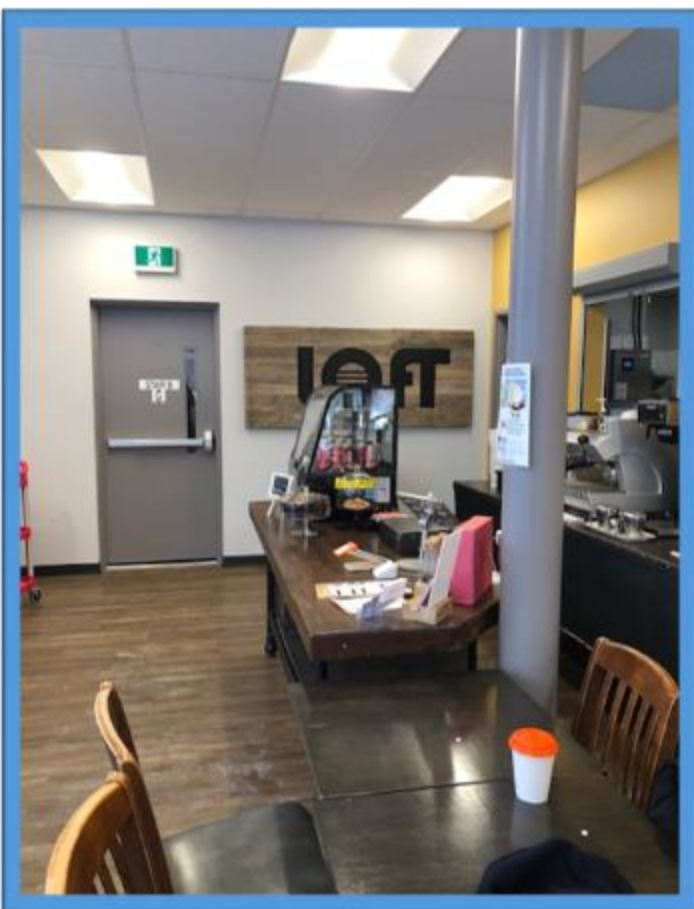


# The Impact of Work Integration Social Enterprises on Youth in Toronto

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## What is a WISE?

- A Work Integration Social Enterprise [WISE] is a business that employs marginalized people to integrate them into the labour market
- E.g, LOFT Kitchen is a café social enterprise that employs at-risk youth and puts the revenue from the café back into free training and support services.



LOFT Kitchen Café. Image courtesy of Professor Deborah Leslie

## Abstract

- Youth unemployment is rising<sup>1</sup> and those who do find employment are increasingly limited to precarious work: seasonal, part-time, or gig work.<sup>2</sup>
- Work integration social enterprises are one model for helping youth enter the labour market, build key life skills and social connections. Longitudinal studies have found that WISEs can significantly improve indicators of precarity and poverty.<sup>3,4,5</sup>
- However, WISEs have also been criticized as a bandaid solution that applies market logic and individualistic “social entrepreneurship” dogma to issues that need to be addressed structurally.<sup>6</sup>
- This study is a qualitative investigation into how and why WISEs achieve measurable improvements in the lives of their participants, and how they balance their social and market mandates to maintain their impact.

## Methodology

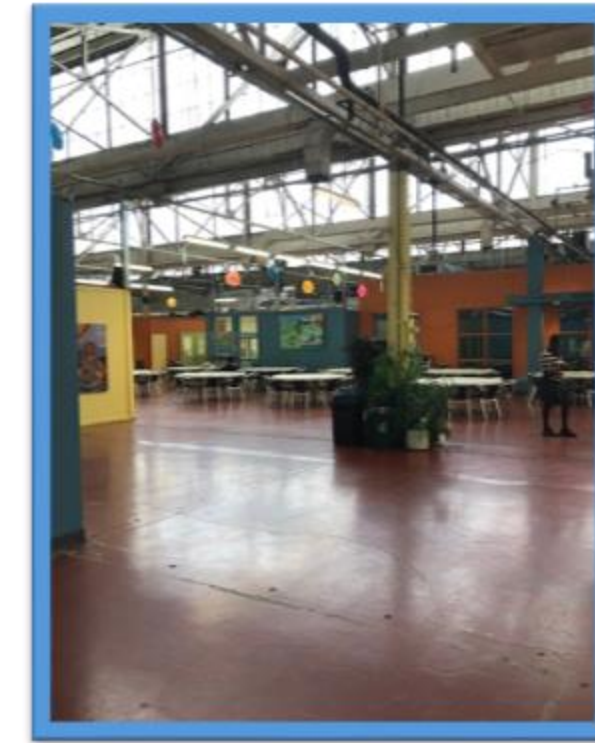
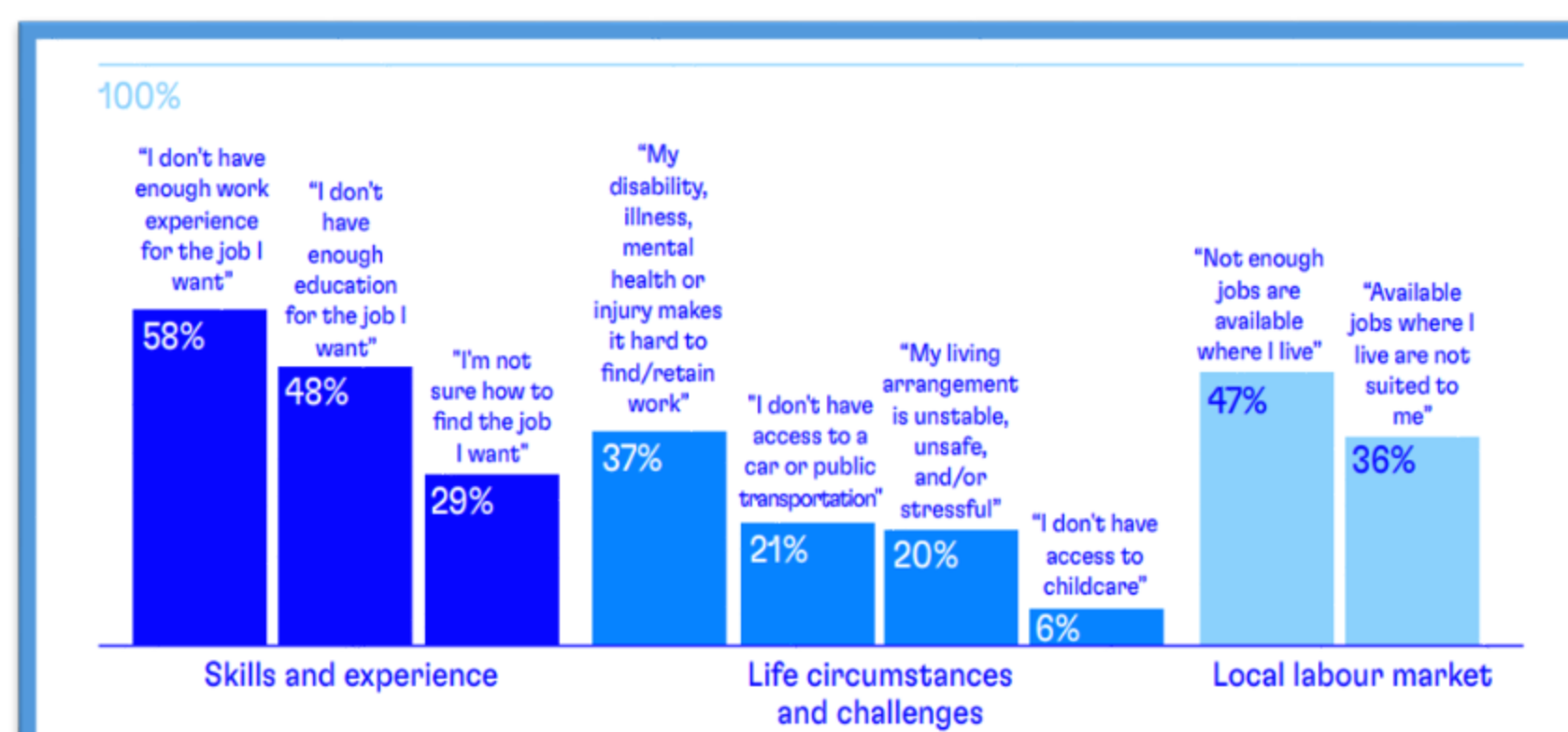
Interviews of executive directors, staff and participants at WISEs in Toronto, informed by literature review. Scan QR code for references and list of organizations interviewed.

## Findings: Key Benefits

- Overcoming the 'lack of experience' Catch-22. As one interviewee described it, **“A lot of companies require experience. But if no company is willing to give young people a chance to start, how can young people gain experience, without the first experience? How can they find a good job?”** WISEs give young people a foot in the door even if they have no previous experience, allowing them to escape this vicious cycle.
- Wraparound support : WISEs provide support to address the underlying circumstances that make it hard to stay employed, especially for youth with multiple barriers, ranging from transportation to childcare, see Figure 1. WISEs provided wraparound supports such as help navigating the immigration process; getting a driver's license, and scheduling flexible hours a participant could care for her infant, addressing the issues that have kept participants out of the labour market so far.
- Long-term orientation: despite their programs lasting only weeks or months, WISEs achieve long-term outcomes by:
  - Teaching transferable skills such as \_\_\_\_
  - Employing people long-term themselves, with full-time hours and benefits
  - Connecting people directly to employers, such as construction unions
  - Providing help planning a career trajectory, which is an important source of agency and choice for people who have been trapped in unpredictability. According to one participant:

**“When I first started pursuing electrical. I told my career case managers I wanted to pursue electrical. She came with so much resources and documentation to be like, hey, yeah. This is, this , these are different approaches that you can take, and this is exactly how it works.”**

Figure 1: Barriers to Employment Identified by Unemployed Youth (Blueprint, 2018)



The LEF (Learning Enrichment Foundation) building houses many social enterprises. Images courtesy of Professor Deborah Leslie.

## Findings: Scaling Up & Structural Impact

Limitations: WISEs are criticized as individualistic, market-based solutions that don't address the root causes of precarity and inequality. Executive directors of WISEs are often the first to admit the truth of this criticism:

**“50% of Torontonians are living in precarious work, you know, as we grow these enterprises, we need to be honest with ourselves. We're preparing people for precarious work.”**

Solution: But by acknowledging this, and entering into broad collaborations, WISEs can effect structural change.

Scaling Up: One organization we interviewed , LEF, has brought multiple social enterprises and a food bank together under one roof. Such collaboration creates economy of scale that enables the newer, less profitable enterprises to survive. Scale also allows WISEs to make a structural impact by changing industry standards. LEF runs 35 childcare centres, and provides full-time hours and benefits to their workers, **helping set a standard for all childcare workers in the city.** LEF also engages in advocacy: it brought together 22 other organizations for a summit on how to get tax laws and employment regulations changed to address the root causes of precarity.

Social Procurement: WISEs can also collaborate with other institutions through social procurement-- **“using a firm’s [or government’s] spending power to generate social value”**. For example, the City of Toronto buys its furniture for social housing from a WISE we interviewed. Social procurement contracts help the WISEs grow and helps build local and sustainable supply chains.

Next Steps: As Canadian WISEs look to address systemic issues, they learn from Australia and Scotland, where the social enterprise sectors are far larger and more robust. In both countries, social enterprises played a key role in mitigating the social & economic effects of brutal deindustrialization. Now, they are established and thriving parts of the economy, **a clear proof of concept.**

