

**Fostering a Climate for Growth and Development**

**Final Report of the Roundtable on the Role  
of the Voluntary Community-based or Third Sector  
and the Social Economy in  
Regional Development in Atlantic Canada**

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or Third Sector and the Social Economy in  
Regional Development in Atlantic Canada**

**Hosted by the Community Services Council,  
Newfoundland and Labrador, in partnership  
with the Atlantic Canada Opportunities Agency**

**St. John's, Newfoundland, January 19th and 20th, 1998**

*Roundtables are sponsored by ACOA in partnership with local organizations under the Pan-Atlantic Economic Co-ordination and Research Initiative.*

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### **Disclaimer**

The contents of this document are the views and findings of the Community Services Council and not necessarily those of the Atlantic Canada Opportunities Agency.



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## Community Services Council Newfoundland and Labrador

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### **Mission Statement**

The Community Services Council is an independent, voluntary organization dedicated to promoting social and economic well-being. It acts as a catalyst to enhance the voluntary sector and to bring together community organizations, governments and individuals in identifying needs and concerns. As a leading social planning and research organization, CSC, in collaboration with others, initiates analysis of critical issues, formulates policy objectives and develops strategies and services to improve human well-being.

### **Founding Principles**

The Community Services Council is a registered charity founded on the principles of community involvement and greater cooperation between government and the voluntary sector; on the need for new or improved social programs; on the importance of systematic analysis of social need through independent research; on the concept of citizen participation in social policy decision-making, and on the need to support and strengthen volunteerism.

Those principles are the essence of social planning and social development which build 'social capital' and 'community capacity'.

**Social Planning** is a continuous process, not an occasional event to solve a specific problem. Research, consultation and collaboration are crucial to each phase of the planning process.

**Social Development** encompasses a commitment to individual well-being; a commitment to volunteerism, and the opportunity for citizens to determine their own needs and influence the decisions which affect them. Social development requires the integration of social policy into the public policy framework and into economic development initiatives.

**Social Capital** is the attitude, spirit and willingness of people to engage in collective, civic activities.

**Community Capacity** is the combined influence of people's commitment and skills which can be used to build on strengths and to address common problems and opportunities.

Building Social Capital and Community Capacity is what the Community Services Council is all about.

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## **Foreword**

Much current thinking, debate and literature is raising critical questions about the voluntary, community-based or third sector: about the role it has traditionally played, the role it is increasingly expected to play, and about its untapped potential, especially to foster economic development.

In the last few years there has been increasing research into, and understanding of, the substantial contribution of this sector to social and economic development.

The sector (variously called the non-profit, not-for-profit, voluntary community-based or third sector, and sometimes referred to as the civil society or the social economy) comprises a broad array of organizations, institutions, agencies and collectives, including charities, cooperatives, religious groups, health, education and social service providers, self-help and mutual-aid groups, social justice groups, environmental, cultural, arts, recreation, sports, and professional associations such as chambers of commerce. The sector's potential role in assisting and adding value to development, particularly in the Atlantic Region, is a subject which warrants closer examination.

While many groups have existed for many years, it is only recently that the multitude of groups is recognized as more than just an assortment of individual organizations working in isolation from each other. There is growing understanding that these groups - which are neither government nor private sector - collectively inhabit a substantial space within the Canadian economy. Yet there is relatively little detailed or consistent data on the sector and no comprehensive public policy framework, either to assist the sector or to ensure the best use of its assets.

Historically, these organizations have emerged to meet identified needs; to advance particular causes; to raise money for charitable purposes; to provide services such as recreation, child care and services to seniors, and to fill gaps not served by government or the private sector. As governments assumed more responsibility for social programs, many of groups came to be regarded as frills to essential services. They were viewed as groups that “consumed” resources: while considered worthwhile and beneficial to individuals and communities, the output of the sector, in general, was considered to be exclusively *social* in nature.

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The sector is seen primarily as the domain of *volunteers* - people who give their time freely for no remuneration. In the past, the connection between the sector and the overall economy and economic well-being of the country was not recognized. There was a significant divide between those, on the one hand, who saw themselves as building and driving the economic engine of the country (i.e. people operating business and generating wealth) and government (which establishes policy and regulatory regimes to assist them), and, on the other hand, those who were doing "good works" and making, in some abstract way, the country "a better place in which to live".

There has been a remarkable absence of government understanding of, or commitment to, the third sector in a broad and comprehensive manner.

Most governments have not given much thought to the voluntary sector and its social and economic impact when formulating public policy. In fact, budgetary pressures, and prevailing political ideologies have led to reduced funding to national and locally-based charities and community-based organizations. There has been less willingness to fund advocacy functions and a move toward off-loading, contracting out and purchase of services. This has resulted in community-based groups having to fall more in line with governments' priorities rather than playing their traditional role as instigators of new initiatives.

Governments are expected to establish and foster a climate in which business can flourish. In economically disadvantaged regions particularly, governments develop strategies to entice business investment and reduce the cost of doing business (e.g. by deferring taxes, or by offering financial incentives, grants or preferential loans) with a view to wealth generation and job creation. Governments rarely have explicit policies to invest in or create conditions conducive to long term job creation in the third sector.

The job creation efforts which are initiated by government in the voluntary sector, more often than not, are designed to remove people from income support programs rather than to augment the sector itself. This approach may frustrate rather than facilitate the primary objectives of the third sector. In short, there has never been a strategic approach nor a long-term plan for supporting job creation in the third sector.

Furthermore, as governments continue to rationalize, streamline and re-structure programs, there is increasing pressure on the third sector to fill the role of basic services. Yet the ability to secure sufficient funds from the private and public sectors is diminishing.



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The voluntary sector can play a tremendous role in fostering self-reliance, providing training and leadership opportunities, delivering services and strengthening social and community capacity, but a solid public-policy framework must be developed which will enable the sector to flourish and to interact much more fully in the policy shaping process.

It was the hope of the Community Services Council in organizing the Roundtable in January 1998 that many key issues would be identified and steps proposed to encourage and facilitate a more direct role for ACOA and thus for the federal government in this process. Since ACOA's primary mandate is economic development, job creation and increasing earned incomes for Atlantic Canadians, a process to establish an action plan for legitimate and necessary work which will underpin sustainable social and economic development may be integral to its purpose.

The Community Services Council has recently completed a detailed examination of the third sector in Newfoundland and Labrador. The opportunity to co-host this session, with financial support from ACOA, was most timely. It enabled us to create links with colleagues in the other Atlantic Provinces and to draw on their ideas to extend our knowledge and thinking. In particular, it helped initiate what we hope will be a longer-term investment to strengthen Atlantic Regional development by enabling social and economic development to occur simultaneously and in tandem, and, ultimately, to realize a single integrated approach to development.

At all levels and across all sectors, Canadians are searching for new and better ways to enhance social and economic development, to attain greater economic security and to position ourselves to meet the increasing challenges of world-wide technological, social, political, cultural and environmental change. Atlantic Canada – given its relatively rural and underdeveloped economy, its sparse, dispersed and aging population, and its dependence on transfers from the federal government and outside investors – has a particular need to search for, and be a leader in, seeking and adopting new policy approaches to facilitate sustainable development.

We can no longer afford to segregate public policies into discreet sectors or jurisdictions; nor can we continue to operate on the assumption that economic development initiatives within the private sector will fully satisfy the social or economic development requirements of the Atlantic Region. The inter-relatedness of health, education, social, economic and fiscal policies should be tackled in a more integrated, comprehensive and *horizontal* manner.

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Building a framework to integrate such approaches through public policy and private and public initiatives is the challenge.

The Community Services Council proposes that a formal framework be created to enable cross-sectoral, horizontal approaches to development and policy-making - the ultimate objective being to enhance economic well being by increasing the number of jobs in the region.

The framework should foster a vision of society in which the third sector is an equal constituent in cultural, social and economic growth, and in which adequate infrastructure is provided to enable this to occur.

The paper presents background information on the voluntary sector; a summary of the informative Roundtable discussions held January 19 - 20, 1998, in St. John's, Newfoundland; an update on key progress at federal, provincial and voluntary sector levels; and recommendations for action. The authors hope that it will be both thought-provoking and helpful.

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Penelope M. Rowe  
Executive Director  
Community Services Council

*Economic growth, in the long term, depends on the investments we make in human and social capital – in the resilience of Canadian citizens.*

***Judith Maxwell***  
***Eric J. Hanson Memorial Lecture***  
***(1997)***



## **1. The ACOA Roundtable Series**

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The Atlantic Canada Opportunities Agency (ACOA) was created in 1987 with a broad mandate for economic development based on increasing the number of jobs and enhancing the earned incomes of Atlantic Canadians. The role of ACOA is to increase self-sufficiency by developing and delivering locally-sensitive business programs and services, coordinating federal economic development program activities, and advocating the region's interests in the development of national policies, programs and services.

### **Roundtables**

This Roundtable, *Fostering a Climate for Growth and Development: The Role of the Third Sector and the Social Economy in Atlantic Canada* is the seventh in a series. ACOA established the Roundtable series in 1995 to create forums in which academics, policy experts, private-sector and other stakeholders could discuss issues which are essential to economic development in the Atlantic Region. Six other Roundtables investigated different aspects of development in the Atlantic Region including:

- < community economic development as a component of regional economic development policy,
- < the role of universities in economic development,
- < demographic change,
- < aquaculture,
- < entrepreneurship, and
- < competitiveness.

The first Roundtable identified a view of economic development that recognized the importance of community involvement and balancing economic objectives with social values and quality-of-life issues. Its follow-up report advocated an approach to economic development, "from the ground up, one which combines social and cultural change processes with more conventional activities in the spheres of local economic planning and small

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business development," but recognized that this approach, "has not yet been fully recognized as a legitimate and effective means of accomplishing economic renewal in disadvantaged regions." (ACOA, 1996). The report also concluded that the objective of economic development for the region should be to assist communities to develop a stable, balanced local economy capable of supporting such things as healthy lifestyles, with a reasonable standard of living which meets the needs and acceptance of the community, and a positive social climate, including effective leadership and problem-solving capabilities, harmony among social groups, and a rich cultural life.

The second Roundtable focused primarily on science and technology. The third identified the importance of demographics in developing economic policy which is particularly important since the Atlantic Region's population is ageing at a rapid pace, while the young are leaving and taking their skills with them. The fourth Roundtable focused specifically on potential for aquaculture in the region. The fifth was concerned with the development of entrepreneurship, and the sixth focused on competitiveness and factors which enhance the attractiveness of the Atlantic Provinces. It is recognized that enhancing and maintaining the region's quality-of-life is essential to future development, since improved quality of life issues are appealing to many potential investors.

### **Fostering a Climate for Growth and Development: the Role of the Third Sector and the Social Economy in Regional Development in Atlantic Canada**

This Roundtable, co-hosted by the Community Services Council (CSC), developed some of the themes from the first Roundtable mentioned above by exploring the potential for expanding the contribution of the third sector to Atlantic Canada's development. Key themes included:

- < creating and enhancing employment opportunities,
- < advancing the integration of social and economic policies and development,
- < building community capacity to underpin economic development,
- < assisting the public and private sectors to understand and build on the region's assets,
- < reinforcing social infrastructure and social capital, which are essential to both social and economic development, and
- < promoting broad approaches to human capital investment and policies.

## 2. The Third Sector in Atlantic Canada

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### Nomenclature and Definition

The subject of nomenclature and definition are perplexing and not easily resolved. Despite many heated debates and much learned consideration neither a clear definition nor a satisfactory name have been agreed upon. The sector is diverse and potentially comprises quasi-governmental, government legislated groups such as universities and hospitals to cooperatives to small ad hoc committees of citizens.

Theodore Levitt (cited in P. Weinrich, 1996) describes the third sector as "doing things business and government are either not doing, not doing well, or not doing often enough." (p. 1). The sector is neither government (the public sector) nor the business or for-profit sector (the private sector). In broad terms, it comprises organizations which have volunteer governance and are doing work that is beneficial to the community or to a group that is part of the community as a whole. The sector including registered charities, non-profits, and informal organizations. Canadians generally refer to this as the charitable, voluntary or non-profit sector. Other terms such as the *voluntary*, *community-based*<sup>1</sup> or *third sector*<sup>2</sup> and non-profit are also in vogue.

As a working title the Community Services Council had adopted the "third sector" but uses this alternatively with "voluntary community-based sector". CSC had opted for the "third sector" because the term "voluntary" fosters the notion that all that happens within the sector is based on volunteers and thus inadvertently narrows the perception to a limited view of the real magnitude and economic significance of the sector.

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<sup>1</sup> People, Partners and Prosperity: a Strategic Social Plan for Newfoundland and Labrador.

<sup>2</sup> Sociologists tend to prefer the term *voluntary sector*, political scientists use the terms *third sector* and *independent sector*, and economists generally prefer *non-profit sector*. (Ruckle, p. 36)

At the outset of the Roundtable some participants wanted to focus on this subject with a view to establishing a definition; however, given the potential for this debate to sidetrack the agenda for the session the matter was deferred. A couple of participants expressed strong concern about the use of the term "third" sector for three reasons. First, because it begs the question "what are the first and second sectors" and why should any sector be viewed as having priority over another. Second, because the word "third" conjures up notions of "third world" i.e. regions which are under-developed. And finally, because there are other groups which might also deem themselves to be sectors and thus left out of a paradigm of trilogy.

Throughout this report we refer to the voluntary, community- based or third sector. It is worth noting that in public opinion surveys the public responds more positively and with more familiarity to the term voluntary and non-profit than to "third". (See Chapter 4.)

By whatever name, the sector contributes to the *social economy*. In Canada, this term is fairly new, though in Western Europe the concept has achieved a higher profile. Recently, however, there has been a growing interest in the concept of the social economy and recognition of its potential for contributing to economic development in Canada. The Quebec Economic Summit, for instance, included sessions dedicated to the social economy, and struck a Task Force on the Social Economy. The publication of the Task Force report, *Taking on the Challenge of Solidarity!* (1996), was acknowledged as "another step in obtaining recognition of the social economy as a full-fledged component of the Quebec development model" (p.4).

That report describes the social economy as a concept which combines two terms which are sometimes considered opposites:

- P *'economy' refers to the concrete production of goods and services; the enterprise as the organizational structure; and it contributes to a net increase in the collective wealth;*
  
- P *'social' refers to the social and not just the economic benefits of these activities. The social benefits are assessed in terms of the contribution to democratic development, the support of an active citizenry, and the promotion of values and initiatives for individual and collective empowerment. The social benefits therefore contribute to enhancing the quality of life and well-being of the population, particularly by providing a greater number of services. As with*



*the traditional public and private sectors, the social benefits can also be evaluated in terms of the number of jobs created.*

Taking On the Challenge of Solidarity!  
Report of the Task Force on the Social Economy

As a working concept, the Community Services Council views the “social economy” as a set or type of strategies which work with local and regional resources and assets to meet economic and social objectives. The social economy is largely the domain of community-based groups.

## **Origins and Development**

Emerging in Europe as early as the Middle Ages, the chief occupation of the charitable sector was originally to ease the pain and suffering of the poor. Churches took the lead role, and private foundations and charities followed, many to build schools and hospitals. As the demand for services continued to increase, the private sector became involved fulfilling more social needs, but these were at a personal financial cost, often only afforded by members of upper classes. Thus the need for charity schools and other such institutions continued.

The origins of the charitable sector in Atlantic Canada go back more than two hundred years to trade organizations, church-affiliated charities and educational foundations. Before the days of institutionalized government social services and relief programs, they were often the only source of assistance to people in need.

Not long after the Great Depression, such services in Canada became the responsibility of the public sector and many basic necessities of life were guaranteed to all Canadians, free of direct charge. The taxpayers of Canada contributed the bulk of the funding needed to operate these services.

Nevertheless, as society has grown and as new and increasingly challenging social needs have developed, the third sector has continued to occupy a central and vital place in Canadian society. The number of charities registered with Revenue Canada has tripled in fewer than thirty years. In 1967 there were 22,500, by 1996 the numbers had increased to 74,918. Many new groups have emerged in direct response to government policy initiatives.

Charitable and non-profit organizations today are diverse in nature and size. They range from small, informal groups focused on specific causes and issues, with few volunteers and no paid staff, to registered national organizations with broad social mandates, substantial budgets, paid staff and many volunteers.

## Size of the Sector

It is difficult to arrive at an accurate estimate of the number of nonprofit organizations since there is no general agreement on the type of organizations that should be included. Even when researchers establish a working definition since many groups remain unregistered, numbers are difficult to ascertain. The primary source of data at the federal level is the Revenue Canada database of registered charities returns; consequently, most research cites information relevant to registered charities only.

As noted there are approximately 75,000 registered charities in Canada, of which 7,813 are in Atlantic Canada. This means that more than 10% of the registered charities in Canada are located in the Atlantic Region, although the region has just 7.9% of the country's population.

**Table 2.1: Registered Charities in Atlantic Canada**

<b>Province</b>	<b>Registered Charities</b>
Newfoundland and Labrador	1,101
P.E.I.	537
Nova Scotia	3,640
New Brunswick	2,535
Atlantic Canada	7813

Source: Revenue Canada,  
Registered Charities, based on 1995 income tax reports  
(Canadian Leaders' Forum, 1997, pp. 6-8).

Furthermore, it has been estimated that there are an additional 125,000 non-profits in Canada which are not registered charities (R. Hirshhorn, 1997). A ratio of 1.6 to 1. Based on research conducted in 1998 by the Community Services Council in Newfoundland and Labrador, there are approximately 4,000 non-profits in addition to the 1050 registered

charities, a ratio of approximately 4 to 1.<sup>3</sup> In that province, it should be noted that municipalities are non-profit corporations.

## Type of Activities

Table 2.2 shows the types of activities that volunteers do for their organizations. This table demonstrates the various types of skills and work experience acquired by volunteers through their work. Note information on Atlantic Canada was not available.

**Table 2.2: Activities in which volunteers engage,  
Canadian volunteers aged 15 and over, 1997**

<b>Activity</b>	<b>% of Volunteers</b>
Organizing or supervising events	51%
Canvassing, campaigning, fundraising	44%
Sitting as a board member	38%
Office work	28%
Providing information	27%
Teaching/coaching	26%
Providing care or support	23%
Participating in a self-help group	22%
Maintenance/repair	19%
Collecting/serving/delivering food	15%

Source: Caring Canadians, Involved Canadians:  
Highlights from the 1997 National Survey of Giving,  
Volunteering and Participating. Statistics Canada, Catalogue no. 71-542-XPE

## Participation

Volunteers give their time, experience and expertise freely (without financial remuneration) to help organizations achieve their purposes. While Atlantic Canada makes up only 7.9% of

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<sup>3</sup> This figure includes many municipal and town councils which register in Newfoundland as non-profits as well as hospital and school boards which are volunteer in nature as the individuals serving on these groups are not remunerated.

the Canadian population, according to a 1997 survey conducted by Statistics Canada, it accounts for 9.1% of the country's volunteers. The formal volunteer rate for the Atlantic Region is 35.4% compared to the Canadian average of 31.4%.<sup>4</sup>

**Table 2.3: Volunteers by Province**

<b>Province</b>	<b>Rate of Volunteering %*</b>	<b>Distribution of All Volunteers** %</b>	<b>Distribution of All Canadians %</b>
Newfoundland and Lab.	33	2	1.8
Prince Edward Island	36	0.5	0.5
Nova Scotia	38	3.8	3.1
New Brunswick	34	2.8	2.5
Quebec	22	17.6	24.4
Ontario	32	38.7	37.5
Manitoba	40	4.6	3.8
Saskatchewan	47	4.8	3.4
Alberta	40	11.8	9.5
British Columbia	32	13.5	13.2
<b>Canada</b>	<b>31.4</b>	<b>100.0</b>	<b>100.0</b>
<b>Atlantic Canada</b>	<b>35.4</b>	<b>9.1</b>	<b>7.9</b>

As a percent of the population over the age of fifteen.

\*

\*\* Percent of all Canadian volunteers over the age of fifteen.

Source: Caring Canadians, Involved Canadians: Highlights from the 1997 National Survey of Giving, Volunteering and Participating. Statistics Canada, Catalogue no. 71-542-XPE

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<sup>4</sup> Caring Canadians, Involved Canadians: Highlights from the 1997 National Survey of Giving, Volunteering and Participating. Statistics Canada, Catalogue no. 71-542-XPE

## Demographic Profile

Table 2.4 describes several characteristics of volunteers in Atlantic Canada.

**Table 2.4: Profile of Volunteers in Atlantic Canada (Volunteer Rate %)**

Characteristics		NF & Lab	PEI	NS	NB
<i>Age</i>	15 - 24 years	...	39	43	33
	25 - 34	36	37	35	29
	35 - 44	35	46	47	43
	45 - 54	42	43	37	36
	55 - 64	...	...	44	34
	65 and over	...	...	...	30
<i>Gender</i>	Female	28	34	36	31
	Male	39	37	40	38
<i>Marital Status</i>	Married or common-law	35	37	39	38
	Single	32	39	39	32
	Widowed	...	...	...	...
	Separated or divorced	...	...	...	...
<i>Highest Education Level Achieved</i>	Less than high school	...	...	24	23
	High school diploma	...	...	39	32
	Some post-secondary	40	...	45	41
	Post-secondary diploma	40	34	40	40
	University Degree	...	50	73	65
<i>Labour force status</i>	Employed	34	39	44	38
	Full-time	32	37	41	36
	Part-time	...	...	56	52
	Unemployed	...	...	...	...
	Not in labour force	30	30	31	32
<i>Household income level</i>	Less than \$20,000	27	...	26	20
	\$20,000 - \$39,999	32	33	37	33
	\$40,000 - \$59,999	...	44	42	39
	\$60,000 - \$79,999	...	...	58	48
	\$80,000 or more	...	...	...	55

... Sample too small to report results

Source: Caring Canadians, Involved Canadians: Highlights from the 1997 National Survey of Giving, Volunteering and Participating. Statistics Canada, Catalogue no. 71-542-XPE

## Economic Dimensions of Volunteer Activity

Atlantic Canadians contribute, on average, more than 99.5 million hours per year, with an estimated economic value of more than 1.2 billion dollars annually (Table 2.5).

**Table 2.5: Distribution of Volunteer Effort and Estimated Value by Province**

Province	Volunteer rate(%)	Annual hours ('000)	Average wage \$	Tot. Value (\$ '000)	Average hrs/yr
Newfoundland & Lab.	33	20,494	12.11	248,182	137
P.E.I.	36	4,869	11.84	57,648	127
Nova Scotia	38	40,029	12.53	501,563	141
New Brunswick	34	34,121	12.23	417,299	164
Quebec	22	196,974	15.85	3,122,037	150
Ontario	32	421,596	17.72	7,470,681	146
Manitoba	40	44,763	15.33	686,216	130
Saskatchewan	47	48,311	15.51	749,303	134
Alberta	40	128,323	16.18	2,076,266	146
British Columbia	32	169,443	18.78	3,182,139	169
<b>Canada</b>	<b>31.4</b>	<b>1108923</b>	<b>\$16.69</b>	<b>\$18,511,334</b>	<b>146</b>
<i>Atlantic Canada</i>	<i>35.4</i>	<i>99513</i>	<i>\$12.31</i>	<i>\$1,224,692</i>	<i>148</i>

Sources: Caring Canadians, Involved Canadians: Highlights from the 1997 National Survey of Giving, Volunteering and Participating. Statistics Canada, Catalogue no. 71-542-XPE

Statistics Canada - Canadian Statistics - Average weekly hours, for employees paid by the hour, and all workers, percentage by earnings class, average and median earning

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## Fostering a Climate for Growth and Development

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Using Statistics Canada data (1997), the volunteer hours contributed in Atlantic Canada are calculated as equivalent to 51029 full-time positions, or 5.2% of persons employed in the region (see Table 2.6).

**Table 2.6: Volunteer Hours as Full-Time Equivalent Positions  
and Share of Full-Time Provincial Labour Forces, 1997**

<b>Province</b>	<b>* Volunteer Full-time Equiv.</b>	<b>Number of Employed People</b>
Newfoundland	10,509	197,900
Prince Edward Island	2,496	60,900
Nova Scotia	20,527	403,700
New Brunswick	17,497	324,200
Quebec	101,012	3,327,500
Ontario	216,203	5,612,900
Manitoba	22,955	546,100
Saskatchewan	24,774	478,600
Alberta	65,806	151,400
British Columbia	86,893	1,860,400
<b>Canada</b>	<b>568672 (4.4%)</b>	<b>12,963,600</b>
<i>Atlantic Canada</i>	<i>51029 (5.2%)</i>	<i>986,700</i>

\* Calculation on basis of 37.5 paid hours per week

Sources: Caring Canadians, Involved Canadians: Highlights from the 1997 National Survey of Giving, Volunteering and Participating. Statistics Canada, Catalogue no. 71-542-XPE

<http://www.stancan.ca> (Canadian Statistics - Distribution of employed people by industry)

In addition to donated time, in Atlantic Canada, volunteers annually spend more than \$70 million in out-of-pocket expenses related to their voluntary work. (See Table 2.7)

**Table 2.7: Distribution of Volunteer Expenses by Province**

<b>Province</b>	<b>Annual Expenses (\$ '000)</b>
Newfoundland	14,902
P.E.I.	3,223
Nova Scotia	29,723
New Brunswick	25,737
Quebec	142,430
Ontario	274,144
Manitoba	41,284
Saskatchewan	54,435
Alberta	106,777
British Columbia	148,814
<b>Canada</b>	<b>\$841,468</b>
<i>Atlantic Canada</i>	<i>\$73,585</i>

Source: Compiled from data in Ross, 1990, p.17.

## **Training and Skills Development**

One of the greatest benefits that the voluntary/community-based sector provides is training for those who need to acquire skills and/or experience to pursue a working career. While skills development and increased knowledge are important ends in themselves, an added bonus for the economy is that a considerable amount of this training appears to be transferable to the eventual paid job of a volunteer, who leaves the volunteer setting for an employment opportunity. Table 2.8 illustrates the types of skills that are used by volunteers. These are beneficial to both the volunteer and prospective employers.

**Table 2.8: Nature of Skills or Knowledge Acquired by Volunteers**



## Fostering a Climate for Growth and Development

Type of Skill	Number Acquiring Skills ( ' 000)	As % of all Volunteer Jobs
Interpersonal	4,111	44.8%
Communications	3,086	33.6%
Organizational and Managerial	2,876	31.3%
Fundraising	2,228	24.3%
Knowledge	2,020	22.0%
Technical and Office	1,221	13.3%
Other Skills or Knowledge	688	7.5%

NB - Total exceeds 100% because some jobs provided more than one type of training opportunity; total number of volunteer jobs performed in 1986/87 was 9,179,000.

Source: Compiled from data in Ross, 1990, p.20.

## Revenues

Revenues for registered charities in Canadian 1994 were approximately \$86.5 billion; 57% came from governments (mostly at the provincial level), 7.6% from individuals (received) and 1% from corporations. Other sources of revenue included fees, investment income, un-receipted donations, gifts from other charities and other income (see Table 2.9).

**Table 2.9: Importance of Various Revenue Components, All Registered Charities**

Category	1989	1990	1991	1992	1993	1994
Total donations	21.8	13.5	12.6	11.9	11.4	11.3
Received	18.3	11.2	10.3	9.7	9.1	9.1
Unreceipted	3.5	2.3	2.3	2.2	2.2	2.2
Gifts from other charities	3.9	2.8	2.6	2.9	2.6	2.6
Government Funding	42.8	52.8	55.9	56.8	57.8	60.2
Other	31.5	30.9	29	28.5	28.2	25.8
Total	100	100	100	100	100	100

Source: The Canadian Nonprofit Sector, Working Paper No. CPRN 02

Table 2.10 shows the breakdown of individual donations by the four provinces.

**Table 2.10: Proportion of Individuals Who Donate, Size of Donations,  
and Incomes of Donors in Atlantic Canada, 1997.**

<b>Province</b>	<b>% of Pop. Who Are Donors</b>	<b>Median Donation of Donors (\$)</b>	<b>Average Donation of Donor (\$)</b>
Newfoundland	84	75	167
Prince Edward Island	83	90	236
Nova Scotia	83	70	208
New Brunswick	82	74	226

Source: Caring Canadians, Involved Canadians: Highlights from the 1997 National Survey of

Giving, Volunteering and Participating. Statistics Canada, Catalogue no. 71-542-XPE

Despite these levels of support, many organizations which provide services to individuals and communities, operate without the benefit of long-term, secure funding. They are thus obliged to spend considerable time and energy in fundraising. The added work detracts from time spent providing service, and consumes substantial volunteer effort which could be directed to the service mandate of organizations.

## **Funding the Voluntary Sector**

A strong foundation of professional and support personnel is required to ensure that organizations operate efficiently and can make optimal use of volunteer resources. Third sector organizations require a significant and long term infrastructure to support them in providing services.

Many organizations are under financial pressure. Their number, charities and non-profit, has increased significantly, resulting in competition for donor generosity. Private donations cannot keep up with demand or need. Many are struggling for new ways to generate revenues and many are concerned about expending inordinate amounts of time on fundraising activities to the detriment of meeting their primary objectives.

Government funding from all levels (federal, provincial, municipal) has been shrinking in recent years, but making up the short fall will be extremely difficult: the Canadian Centre for Philanthropy estimates that for every 1% cut in government grants and transfers to charities, a 5.8% increase in individual donations would be needed to keep over-all funding constant (D. Sharpe, 1994).

Community-based services can provide the opportunity for early intervention and more immediate access. They therefore may eliminate or reduce the demand for more costly institutional services, thereby saving governments millions of dollars. Funding in the social economy, therefore, should be viewed as a good investment. Financial investments are leveraged and multiplied by the use of volunteer resources.

### **Changing Volunteerism**

Many volunteers are coping with changing demands of family, different patterns of work, and shrinking incomes. While unemployment may create a pool of potential volunteers, job loss can create a form of "compassion fatigue" as apathy develops in communities faced with the loss of their economic base. Because of the polarization between "have and have not" individuals and regions, there is also differential capacity for the utilization of volunteer resources in a long-term strategic manner.

Volunteer "burn out" is a common concern (Rowe et al 1997a) especially in rural communities where the population is both decreasing and aging. There are reports of "stagnant leadership", a phenomenon which refers to the same people assuming all leadership functions and not attracting new volunteers.

Whereas, in the past, many volunteers were either not in the labour force or were in stable employment and thus able to take on long-term obligations, now many volunteers are seeking short-term, "episodic" volunteering.

As the population ages, more volunteers are likely to be older. Because of the shortage of paid and meaningful work more young people may wish to volunteer in order to gain experience and will want training and skill development. Volunteers will become more demanding in terms of what they wish to gain from volunteer experiences. There will be greater expectations that programs are professionally managed and well run. Agencies will require that a good support system be in place. These trends also suggest that the way in which voluntary organizations utilize volunteers will have to become more flexible.

## **Increasing Expectations - Decreasing Resources**

As the federal government reduced transfer payments to the provinces (which in turn decreased the amount provincial governments can spend on services) there was a reduction in services to the public. This has occurred at a time when there are new and increasing demands for some kinds of services, as a result of significant economic and demographic changes that are affecting both social needs and expectations.

Downsizing in both the private and public sectors has also led to loss of employment, as has the collapse of the ground fisheries in Atlantic Canada. High unemployment rates, the most critical economic issue in Atlantic Canada, in turn, increases the demand for many social services, ranging from social assistance payments to mental health services and family counselling.

In addition to the cutbacks in the private and public sectors, the population is aging rapidly and changes are occurring in the structure of the family.

In many areas it has fallen to voluntary organizations to make up for the drop in government-sponsored services, or to meet new challenges which governments have been slow to take up. Often this "downloading" (as it is sometimes called) has occurred simultaneously with cuts in funding and waning donations.

During consultations throughout Newfoundland and Labrador in 1996, the Social Policy Advisory Committee<sup>5</sup> - an independent group appointed by the Government of Newfoundland and Labrador - heard repeatedly from community groups that "community capacity to provide support and assistance is overburdened and underfunded". Volunteers and voluntary agency employees are feeling "burnt out" by rising demands and fading hope. Changing demographics are increasing the demand on the voluntary sector at the same time as its pool of human resources is diminishing because of out-migration" (Rowe, et al, *What the People Said*, p. 16).

Confirmation of these findings came in the *Values Added* research conducted in 1998 by the Community Services Council (Final report released October 1999).

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<sup>5</sup>

Chaired by Penelope Rowe, one of the authors of this paper.

## **Fostering a Climate for Growth and Development**

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The environment has never been calm for the voluntary community-based sector. Now confronted with demographic pressures, increasing demand for services and decreasing resources, the challenges facing the sector are daunting. At the same time, the growing recognition that social and economic development are interdependent has led to fresh interest in the sector. The Roundtable, co-hosted by ACOA and the Community Services Council, set out to explore this new territory.



### **3. The Social Economy and Economic Development**

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Organizations in the third-sector contribute in many ways to the cultural, social and economic life of Atlantic Canada. The Community Services Council has identified eight ways that the voluntary sector contributes to economic development in the region through the social economy:

- P** programs and service delivery
- P** enterprise development
- P** labour market development
- P** human capital development
- P** human resource development
- P** social capital development
- P** advocacy and citizen engagement
- P** building healthy communities a civic society

#### **Programs and Service Delivery**

The sector plays an essential role in providing social and human services and programs, in a wide variety of areas, including:

- p** social services – through involvement in charities, shelters, safe houses, food banks, counselling, research and planning and self-help groups,
- p** health – community and regional health boards, foundations to research and cure specific illnesses, charities aimed at assisting the elderly and people with disabilities,
- p** arts and culture – community museums, arts councils and associations, theatre groups, choirs, cultural centres, libraries, church groups,
- p** education – school boards and councils, literacy programs, after school activities,
- p** municipal services – town councils,

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## Fostering a Climate for Growth and Development

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- P** environment – conservation groups and societies, recycling projects, town clean-up projects,
- P** recreation – sport and recreation committees and coaching,
- P** justice and safety – alternative measure and youth diversion programs, rehabilitation groups, neighbourhood watch groups, crime prevention groups.

Although not aimed specifically at economic development, such involvement has a direct and profound bearing on people's readiness, willingness and capacity to initiate or participate in economic development, on the quality of life (and hence the competitiveness of the region) and on the generation of employment.

While some of these programs supplement or enrich existing government programs, most are independent and provide services that would not exist without third sector involvement. And because they are place-based and most volunteers are members of the community they serve, such groups can be highly responsive and effective in meeting community needs. They are close to the source and are thus able to deal with issues expeditiously.

In particular, voluntary community-based groups have:

- P** the ability to mobilize, rapidly and efficiently, private and individual resources around community concerns,
- P** considerable knowledge about long-standing social needs and emerging social trends,
- P** the ability to prevent some social problems by intervening before they develop into crises through early intervention and preventative programming, and
- P** considerable experience in encouraging individuals to engage in community and civic service.

## Enterprise Development

Those organizations created specifically for the purpose of economic and business development comprise an important, though diverse, component of the third sector. These include such groups as community economic development organizations, regional development boards, rural development associations, tourism associations, Community Futures groups (and formerly Business Development Centres), business and professional associations, boards of trade, chambers of commerce, local and regional government, employers councils,



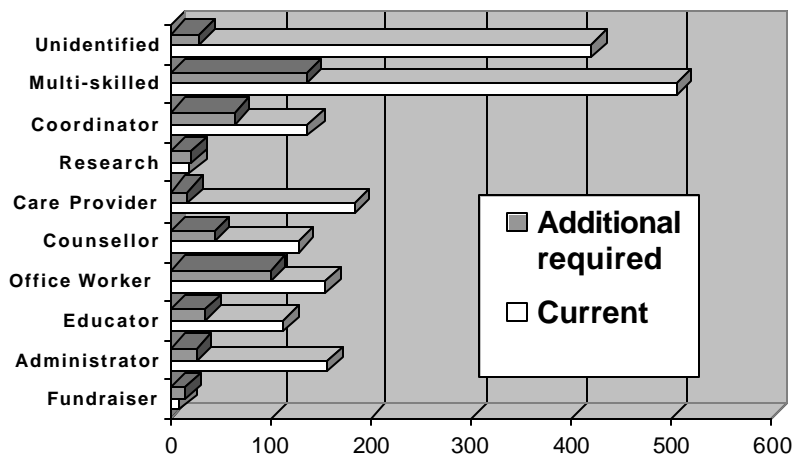
entrepreneurship training programs, and business development organizations for women and other target groups.

Their contribution is direct and purposeful, and in many rural areas these groups are the primary agents of economic development.

### Labour Market Development

The third sector creates direct paid employment for many thousands of people working for third-sector organizations, produces and consumes goods and services, and generates a substantial amount of other economic activity which adds to the well-being of Atlantic Canadians. A survey in 1998 by the Community Services Council of 329 third sector organizations indicates that 75% have paid employees; employees reported in the survey about 1% of all employed people in the province. (Community Services Council, 1999). There is a tremendous potential for expansion which could contribute substantially more to employment development in the region than it now does.

Figure 1 - Survey of Current and Potential Jobs in Voluntary Sector  
CSC Values Added Research - 329 Organizations



NB: Unidentified results were clarified as being essentially multi-skilled.



There is much work that needs to be done in every community in Atlantic Canada, especially in rural areas, where unemployment rates are higher and service provision more scattered.

The third sector provides an ideal locus for employment creation. Community-based networks and infrastructure already in place in many communities provide a base upon which to build.

This point is well substantiated by the Community Services Council research which indicates considerable ability to employ more people as indicated in Figure I.

Even though the economy may now be growing, this growth is not producing enough jobs for many who need and wish to work. In the Atlantic Region the result is unemployment of persistent nature and a continuing long-term "employment demand deficit".

There is a significant school of thought which argues that the new economy simply will not produce enough work for everyone, that we must find new ways to meet the needs of the public for work and income. A leading proponent of this view is Jeremy Rifkin, the author of *The End of Work*. In essence, his theory is that the new economy, with its heavy emphasis on the knowledge-based or information-based society, simply will not be able to absorb all the people looking for paid work in the traditional market place. He argues there could be more jobs in the third sector, or social economy, which provide goods and services through non-profit community and volunteer organizations. Peter Druker, an international guru, says such organizations already employ the greatest number of people in the United States. A trend, some say, will cross the border to Canada (REALM Magazine 1998, p. 16). This would mean the third sector has a critical role in providing so called 'traditional' jobs especially with a service orientation.

A coherent effort to create more employment-intensive activities, well-planned and adapted to meet both the region's social and economic objectives, will be required. Rather than traditional "make-work", labour market initiatives to match un-met social needs and programs for community benefit with the desire of people to work. Over time, it is posited, this will lead to more sustainable economic development while enhancing community health and citizen well-being. Third sector (i.e. social economy) organizations are a primary vehicle to lead and manage this effort. Creation of work in the social economy will produce both short-term results (immediate employment) and long-term results (enriching human and social capital).

## **Human Capital Development**

The third sector is able to include all people regardless of their skill sets. It provides skill development and confidence building which contributes to career development. The sector concentrates on relationship building.

Investment in human capital is integral to economic development. It is often extolled as the way to reduce unemployment and income inequality, i.e., to improve productivity and economic growth. Strong human capital is considered a key determinant of economic growth.

Traditionally, human capital policy has focused on formal education; now, however, a broader conceptualization is advocated "to fully encompass the complexity of the relationships that influence human capital formation" (Alexander, in Institute for Research on Public Policy, 1996, p. 5). Human capital formation must incorporate family policy, health policy, training policy and industrial policy (Jerome-Forget, in Institute for Research on Public Policy, 1997). There is growing consensus on the critical importance of the first few years of childhood to the formation of intelligent, well-adjusted adults.

The implications for economic development are obvious: both social policy and social development play an integral role in our capacity to develop human capital and hence to generate economic growth.

Especially in communities and regions where employment opportunities are few, as in many parts of Atlantic Canada, voluntary work or community service in the third-sector serves as a practical training ground for those who need to develop skills and experience to pursue a working career, or to bolster self-esteem, confidence and the development of interpersonal and leadership skills. Many such skills are highly valued in the job market.

## **Human Resource Support**

There are variety of professional, labour, business and fraternal associations which have volunteer leadership. These groups play a strong role in developing the region in a multitude of ways from professional development to human resource planning to recruitment. For example, fraternal groups such as Kinsmen and Rotary are instrumental in raising funds for worthy causes.

## **Social Capital Development**

The Conference Board of Canada (1997 ) describes four types of capital that can be used for development: produced assets (buildings, equipment, roads), natural capital (renewable and non-renewable natural resources), human capital (the skills, knowledge, and health of the people), and social capital (institutional frameworks that support social cohesion, civic traditions, and governance). It is social capital that "enables the other three forms of capital to be productive." ( p.92).

The role of the third sector in the formation and maintenance of social capital is its most distinctive, and perhaps its most valuable, means of contributing to economic development in Atlantic Canada.

The definition of social capital advanced by the National Forum on Health (1997) describes it as "the *capacity* and *willingness* of people to engage in collective, civic activities" (p. 16) (emphasis added). This definition implies two important components: the development of the capacity (preparedness, experience, knowledge) to engage effectively in collective action, and the development of an attitude or "spirit" of working together towards common objectives i.e. a sense of community.

The third sector's work in each of the other areas described above – in program and services delivery, enterprise development, labour market development and human capital development – contribute in many concrete ways to the *capacity* of people to engage in collective civic actions. The *willingness* of people to do so, and to effect the advancement of their communities (in terms of quality of life, competitiveness, productivity and prosperity) are embedded in social relationships among persons and organizations that facilitate cooperation and collaboration in communities. Like physical and human capital, social capital is a productive resource that makes possible otherwise unachievable results and enhances the productivity of other resources. (Mattenich and Monsey, 1997.)

### **Social Cohesion**

Without the development of the kinds of relationships described above, many opportunities for utilizing the capacity they have, for making the best and most productive use of their resources (both natural and human), and for capitalizing on development opportunities, will be missed or will not achieve their full potential.

Without *social cohesion*, competition is more likely to promote conflict rather than constructive competitiveness, and the collective energies of the community will be scattered rather than focused. Any development which does occur will be more likely to lead to economic and social polarization or exclusion and will be less likely to result in equity. In other words, even if the economic "bottom line" improves, the distribution of wealth may not be balanced: the rich will get richer and the poor will get poorer, and dependency may increase rather than decrease, over all.

### Community and Social Capacity

Strengthening the ability of a community – or a region, or society in general – to become collectively self-reliant by increasing social cohesion and building social capital, is often described as developing its *social capacity*. Social capacity is the extent to which members of a community can work together effectively, and includes the ability to:

- P develop and sustain strong relationships,
- P solve problems and make group decisions, and
- P collaborate effectively to identify goals and get work done.

(Mattesich and Monsey, 1997.)

The authors of *Measuring Community Capacity Building* (Aspen Institute, 1996) write, *People live in communities. But the real importance of "living in community" is that people – and groups of people – develop the ways and means to care for each other, to nurture the talents and leadership that enhance the quality of community life, and to tackle the problems that threaten the community and the opportunities which can help it.*

*When people do these things, communities become healthy; when they do not, communities deteriorate. Communities that have the ways and means to undertake challenges demonstrate "capacity".*

*Without capacity, communities are merely collections of individuals acting without concern for the common good; they are without the necessary ingredients required to develop a healthier community. Communities without capacity really are not communities in any meaningful sense, but have given way to negative conditions like apathy, poverty or ineptitude. (p. 1)*

Community capacity has also been described as the combined influence of a community's commitment, resources, and skills which can be deployed to build on community strengths and address community problems (Mayer, cited in Mattesich and Monsey, 1997).



## **Advocacy and Citizen Engagement**

Identifying policy directions, identifying unmet needs and encouraging citizen engagement in policy shaping is a defining feature of the voluntary community-based sector. The opportunity for the general public to influence a range of policy directions and to float new ideas and different ways of doing business is a cornerstone of the sector. It therefore has the potential to be an important element of economic diversity which requires broad based public participation, investment and buy-in.

## **Healthy Communities**

When people think of what constitutes a vibrant or "healthy" community, they often limit their thinking to physical attributes such as parks, recreational facilities and amenities, new shopping centres and businesses. While these are obviously important indicators of the health of a community they do not tell the whole story; there are many human attributes at play as well, particularly in the areas of social capital, community capacity and social cohesion. (See Appendix 1.)

Research shows that attracting new investment and businesses is often contingent not only upon physical infrastructure but also upon social infrastructure. More and more companies are recognizing that their long-term success is dependent on a healthy community, a well-educated workforce and good quality of life.

Put another way, communities need both "magnets and glue": the magnets attract the resources whereas the glue is the "social cohesion that brings people together to define the common good, create joint plans and identify strategies that benefit a wide range of people and organizations in the community" (Torjman, 1997b). Both physical and social infrastructure are essential elements of attracting and generating investment.

Strong social capacity and well-developed social capital are also the foundations of a *civil society*, a society which sustains and enhances the capacity of all its members to build a caring and mutually responsible society. A civil society is one in which citizens - individual, corporate and government - assume responsibility for promoting economic, social and environmental well-being. Civil society seeks to diminish social inequalities, overcome social exclusion, reduce social polarization and marginalization and promote inclusion (Torjman, 1997a).





## **Social Equality**

Social equality requires high levels of social justice and fairness, and reasonable access to services. The voluntary sector is the primary generator of social equality.

Recent research by Robert Putnam indicates a positive correlation between the degree of social equality and the capacity of a region for economic growth (cited in Conference Board of Canada, 1997).

## **Summary**

This section has presented background information on the voluntary sector and the links between economic growth and social development. There is an expanding body of knowledge which substantiates the position that economic recovery and growth depend on human and social capital formation. Within the Atlantic Region the third sector can serve as a lever to:

- P** mobilize communities,
- P** change attitudes,
- P** marshal human and financial resources,
- P** maintain and build human and social capital, and
- P** secure a positive climate for growth and development.

Economic growth will not, in isolation, provide a reasonable standard of living for all our citizens; careful attention must be paid to the social dimensions of development.

For instance, concern has been raised in many quarters that our society is at risk of further polarization - between geographic regions, between generations, between those who are active labour-market participants and those who are not, between the well-educated and the under-educated, between rural and urban communities.

Recent research by the Federal Government's Policy Research Secretariat has concluded that the four overarching socio-economic challenges Canada is facing are:

- P** economic growth,
- P** globalization,
- P** human development, and
- P** social cohesion.

The Secretariat established by the Privy Council Office, concluded:

*Social objectives cannot be pursued independently of economic capacity and economic recovery cannot be sustained without progress on problems of human development and social cohesion. The pursuit of each will affect the other and therefore the whole must be approached in an integrated manner.*  
(Policy Research Committee, 1996)

It would be unwise to ignore this conclusion. In the Atlantic Region an opportunity exists to confront these concerns directly. Building the social economy and strengthening the voluntary sector may be the best equalizer.

## **4. Roundtable Discussions**

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With the preceding in mind, the Roundtable encouraged participants to

- < debate the concepts and ideas put forward in the background paper,
- < elaborate on or challenge the themes presented,
- < bring forward other ideas and suggestions,
- < consider next steps and potential action items, and
- < propose recommendations to ACOA for consideration.

The Roundtable was attended by representatives from a broad cross-section of community-based organizations, from government departments and from private sector groups (see Appendix 3 for list of attendees). All Atlantic provinces were represented with the majority of participants from the host province.

### **Overview of Issues**

**Chair - Dr. Robert Greenwood, Board Member**  
**Community Services Council Newfoundland and Labrador**

#### *Introduction*

The opening session provided a backdrop and focus for the discussions. Participants in the Roundtable were welcomed by the **Co-chairs - Martin Abrams, Vice-President of the Atlantic Canada opportunities Agency and Penelope Rowe, Executive Director of the Community Services Council Newfoundland and Labrador**. The co-chairs stressed the linkage between social and economic development. Measures of regional competitiveness, including social indicators, are of primary interest in economic investment decisions. In recognizing these factors, ACOA wants to integrate social issues in the economic development process. Participants were urged to creatively explore the links between social and economic development and to produce recommendations to advance economic development in the Atlantic Region.

**The Honourable Julie Bettney, Government of Newfoundland and Labrador Minister of Human Resources and Employment/ Responsible for the Status of Women** then welcomed the participants. She indicated that the government has always recognized the importance of the third sector, but perhaps in a limited way. Well-structured links with the

third sector have not been seen as critical. With the announcement of the development of a Strategic Social Plan for the province, the government has acknowledged the importance of effective linkage with the third sector. Operationalizing the plan will require substantial consideration and dialogue. The discussions of the Roundtable will be most helpful in informing that process.<sup>6</sup>

## **Presentations**

**Frank Graves, Ekos Research Associates Incorporated**, presented the results of a 1997 national survey of Canadians on *Rethinking Government*, with a particular emphasis on the implications for the third sector. The research addressed the issues of the shape of government in the future and the views of Canadians in this context. The major findings of this research with specific data for Atlantic Canada are provided in Exhibit One p.58. Highlights from the presentation were:

- < There is a renewal of interest in active government (federal and provincial), especially in Atlantic Canada.
- < Canada is in an age of neo-conservatism, tax cuts, small government and trickle-down economics.
- < Fiscal prudence is a given.
- < The public acknowledges that more work is being done at the provincial level, resulting in increased expectations for provincial governments.
- < There is a high degree of dissatisfaction with the private sector because the market economy is seen as lacking morality and ethics.
- < A high degree of dissatisfaction also exists with the public sector.
- < One-half of Canadians feel that they have lost control over their economic future.
- < About one-third agree with Jeremy Rifken's *End of Work* thesis - i.e. a chronic work shortage.
- < In light of the discontent with the public and private sectors, alternative approaches are needed. The third sector should be considered in this light though 56% of the population already sees governments as off-loading the work of providing human services to the third sector.
- < The shifting of responsibility for services to the third sector was seen as particularly positive in Atlantic Canada.
- < 68% of Canadians see the third sector as a positive way of expanding community involvement.

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<sup>6</sup> The Strategic Social Plan was released in August 1998.

- < Initiatives such as workfare are seen as weakening the concept of volunteerism and community participation.
- < 52% of Atlantic Canadians agree that governments should offer financial support for work in the third sector.

While there is support for greater involvement of the third sector in our communities and lives, there are concerns that governments are off-loading their responsibilities to the sector.

**Hugh Segal, The Visiting Fellow, School of Policy Studies, Queen's University, representing the Kahanoff Foundation**, highlighted that historically, there has been a transferral of the responsibility of service delivery from the private sector to the public sector. However, we are now seeing a shift of responsibility from the state to the third sector as the neo-conservative philosophy of many governments views the third sector as a cost-effective way of providing services. With a lowering of government spending, there is a resulting growth in the importance of community infrastructure. Canadians seem to prefer local decision-making. Given this situation, he named a number of key issues that need to be addressed:

Insufficient data - The current data and knowledge of the sector are insufficient to answer critical questions about efficiency and cost. For a variety of legal and financial reasons, there has been a substantial effort made in accounting in the public and private sectors; in general, a similar level of effort historically has not occurred in the third sector. Mr. Segal raised several questions noting that to date, the information required to examine these questions has not been available. In the present context - an environment of increased service provision by the third sector - he pondered:

- < Will unionization occur to any significant degree?
- < What will be the result of job creation in the third sector on the other sectors?
- < Would potential efficiencies be diluted if more responsibilities are assumed by the third sector.

Definition - Conflicting approaches in the research have led to very different definitions of the third sector, its contributions and comparative advantages. The Kahanoff Foundation is funding research by Statistics Canada to develop answers for these fundamental policy and planning questions. These answers are essential before any further significant transfer of responsibility occurs from the state to the third sector.

Contracting Out - Increasingly governments are contracting out service provision to the third sector. Mr. Segal wondered:

- < Does that fundamentally change the nature of the sector?
- < Will this result in competition between the private and third sectors for contracts?
- < Would this competition be perceived as unfair because of the for-profit imperatives of the private sector and the not-for-profit nature of the third sector.
- < Would the fundamental altruism and personal motivation that characterizes much of the third sector be changed in this circumstance?

The role of the third sector is currently changing and becoming more vital. However, the puzzle remains, “If community is the answer, what is the question?”. The participants were advised that perhaps the real attraction of the third sector was the generation of economic value as a consequence of social development.

### *Questions and Discussion*

In seeking a clear understandable database, Hugh Segal clarified that he was not making a case for policy inertia. Instead, there needs to be more concrete justification and guidance for directing resources into the third sector. Given the billions of dollars expended by registered charities nationally, it would be indefensible not to make the effort for better information. To build on the strengths of the sector, the strengths and weaknesses must be known and some form of conceptual framework developed.

The question of inclusion of hospitals and universities in the ambit of the third sector was raised. Hugh Segal suggested they should not be included and that non-profit organizations be categorized as either “statutory” or “non-statutory.”

Frank Graves indicated that the Canadian public is circumspect about the role of the third sector. People see it in different lights: as an alternative to government, as a generator of employment, as a means to inject decency back into society, or as a way to build social capital. In general, the public does not support downloading of government responsibilities to the third sector and the undermining of secure employment. However, he said his polls do not show a clear demand for more of the third sector; most people do not picture community-based organizations as comprising a sector. Partnerships between government and the third sector, defined by more rules, are seen as a desirable alternative.

Hugh Segal further commented that the third sector is best seen as complimentary to, not replacing core functions of the public service. An excellent example of this optimal relationship was the response to the ice-storm disaster. Community-based organizations mobilized their resources quickly in a manner that was sensitive to local needs and free from bureaucracy.





## **Where are we now?**

**Chair - Penelope Rowe, Community Services Council**

A number of key points were highlighted for consideration:

- < the important role of the third sector;
- < demographic and other pressures challenging the sector;
- < government expectations;
- < maintaining and developing further commitment from government for the sector; and
- < the current value-added by the sector and the potential contribution with additional planning.

### ***Strengths and Weaknesses / Liabilities of the Atlantic Region***

The first step in the process was a quick assessment of the current strengths and weaknesses of the Atlantic region.

#### **Strengths:**

In general:

- < A long history of cooperation, collaboration, resourcefulness and entrepreneurship where much has been accomplished with little.
- < A long history of dealing with adversity.
- < The ability to conduct relevant pilot projects because of the size and demographic/geographic distribution of the population.
- < A strong regional identity forged by a common heritage and a profound relationship with the environment, especially the sea.
- < The large numbers of colleges and universities in the region are a strong foundation for the development of human capital.
- < The growing acknowledgment of the importance of social capital and community capacity in economic development and international competitiveness.
- < A rich natural environment.

Of the sector:

- < The endorsement by the population for the work done by the third sector.
- < The increased demand for services.

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## **Fostering a Climate for Growth and Development**

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- < The third sector is the least judgmental and critical of the sectors. It is therefore a force for inclusion of “at risk” populations and greatly aids community and individual self-esteem and empowerment.
- < Remarkable creativity as a consequence of dealing with adversity and minimal resources.

### Weaknesses / Liabilities

In general:

- < The continuing process of chronically high unemployment with the resulting outmigration. With the loss of highly skilled, educated and motivated members of communities, some third sector organizations are folding as people move away.
- < Small population does not create critical mass; this impacts on the available personnel and resources.
- < The less than favorable perception in the rest of Canada that Atlantic Canadians are poor, uneducated, unmotivated and unskilled.
- < A disconnect between the priorities of the private sector and government (small government, downsizing, and privatization) and those of the population (active government, employment and services).
- < The threats to economic/social well-being and turmoil from the globalization of commerce and dominating market philosophy of the day.

Of the sector:

- < Volunteer burnout resulting from too much time spent on keeping their organizations alive rather than fulfilling their mission.
- < The need to secure funding/grants based on governments programs that reflect the “flavour of the month,” leads organizations away from their core mandates.
- < The inability to meet the increasing demands for service.
- < The alienation felt by youth and their lack of involvement in the sector.
- < Fundraising challenges caused by chronic unemployment and donor fatigue.
- < The stereotype of workers in the sector as poorly paid women.
- < Limited experience of private sector partnerships and joint ventures with the third sector.
- < The small size of third sector organizations means that the limited staff must have a broad range of organization skills.
- < A lack of understanding of the third sector by governments and the private sector.

*Understanding the Role and Contributions of the Voluntary Community-based Sector*

The discussion was structured around three areas:

- < The voluntary community-based sector's role in economic growth and development.
- < Community capacity building.
- < Social capital and human capital.

*The voluntary community-based sector's role in economic growth and development*

The sector's contributions to economic development were seen to be substantial but not appropriately recognized. The fact that ACOA had sponsored this Roundtable was seen as evidence that there is a growing understanding of the importance of these contributions and a will to explore the topic. In terms of direct contributions to economic growth, the sector is a significant employer and sometimes the only employer in rural, economically-disadvantaged regions. Indeed, the efforts and results of third sector organizations have been pivotal in attracting major economic investment. For example, the new private sector owners of the Marystown Shipyard were most interested in social indicators and the social infrastructure of the region before committing to their investment. Greater public relations are required to engender a broader appreciation of the contributions of the third sector.

The key advantages or role of the sector is that it is responsive, grassroots and inclusive. It therefore has the ability for broad community involvement.

If the contribution of the voluntary sector to economic development and growth is to be optimal, then the process should be energized at the local level and plugged in at the policy level. From a policy perspective, there was consensus that there needs to be inclusion of third sector representation in the policy processes of government. Since governments focus on macro outcomes and the third sector on micro outcomes, the combined effort will be more effective at a local level.

Furthermore, to realize the greatest results for economic development, support, resources and infrastructure for the third sector must be increased and established on a long term, stable basis.

At the community level, there are legal barriers in Newfoundland and Labrador to involvement in economic development. For example, one participant suggested that legislation prevents municipalities from engaging in economic development.

Other nations (e.g., the United Kingdom, the United States of America) seem to have found ways to have communities come together; lessons learned from these jurisdictions may be applicable in Atlantic Canada.

Some discussion focused on the two-tiers emerging in the third sector:

- < small community-based organizations; and
- < larger voluntary-governed organizations that have assumed the provision of essential public services (e.g., regional health and school boards).

With educational and health structural reform, this second kind of third sector organization has become common throughout Atlantic Canada. These large organizations have an important role to play in economic growth and development, both as a support and an economic force themselves. However, by virtue of their size, budgets and existing linkages to government, they are less in need of infrastructure and fundamental development compared to the large number of smaller community-based groups.

### *Community capacity building*

Most voluntary organizations were formed as a community response to an issue or problem. As such, these groups are, by their very nature, close to people and communities. This relationship makes the sector an especially potent and appropriate vehicle to build community capacity. Community capacity is not in itself sufficient to produce economic growth development; but, it is an essential requirement for sustainable development and long term benefits. Clearly, economic factors are critical in investment decisions; however, they are not the only factors that are considered. Support and infrastructure provided to build community capacity should be viewed as strategic investments in the same light as financial incentives offered to a prospective investor.

Since community capacity inherently involves a profound sense of self-reliance, support of the third sector can be seen as one of the policy levers that reduce dependence on the public sector. The challenge is to engage people and communities in the process. The third sector, with its fundamental linkage to these stakeholders, offers unique “win-win” opportunities to policy makers and the private sector.

Through the evolution of mandates and the division of powers to different levels of government, jurisdictional barriers to community capacity have evolved. ACOA was encouraged to continue its efforts in cooperation with the third sector. However, it was remarked that the involvement of ACOA in any initiative with the third sector may be restricted and/or constrained through existing agreements. This points to the wisdom of

bringing broader understandings to the table when agreements are being drafted. ACOA should consider an advocacy role for third sector involvement and should work with other government stakeholders in developing an appropriate coordinated approach for community capacity building in Atlantic Canada. Specific areas for ACOA (and other public sector partners) to pursue would include the analysis of community capacity and the development of an infrastructure for the third sector.

The encouragement for greater reliance on public sector sources of funding was not unanimous. Some others proposed higher tax deductions that would lever more donations and permit the creativity of the third sector to flourish unfettered.

### *Social and Human Capital in Economic Growth and Development*

Volunteers develop skills and knowledge as a consequence of their volunteer effort.<sup>7</sup> Youth, in particular, have reported gaining job skills and enhanced employability as a result of their time spent in third sector organizations. Those served by the voluntary sector (e.g., literacy, health related and poverty alleviation organizations) are given improved opportunities to grow and develop. The sector “picks up the slack and fills the gaps other sectors leave.” Through the efforts of the sector, there can be a sense of belonging in communities and a willingness to work together. In economically disadvantaged regions, the third sector may constitute the major local contributor to social capital. The results of the *1997 National Survey of Giving, Volunteering and Participating* have confirmed the major benefits that volunteers themselves and Canadians as a whole derive from the voluntary sector.

## Where to from here?

**Chair - Penelope Rowe, Community Services Council**

This session focused on suggestions and ideas for ACOA, the third sector and others. The discussion dealt with five main subjects:

1. policy process and direction,
2. resources for the third sector,
3. research required,
4. opportunities for economic growth and development, and
5. change within the third sector.

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<sup>7</sup>

Ross, 1990, p.20

### ***1. Policy Process and Direction***

The inherent and inextricable inter-relationship between social and economic development had been stressed as a key theme at the Roundtable. However, a number of barriers were identified that have, as yet, prevented the substantial integration of the social and economic policy processes. Not all government departments and agencies have developed policy and program development processes that effectively combine both the social and economic components. Indeed, many departments and agencies have a mandate for only social or economic issues. Mechanisms to achieve multi-departmental/ agency collaboration are therefore critical; to some degree, these exist - e.g, the Management Committees for federal/provincial agreements. However, it is not apparent how well these groups have inculcated the integration of social and economic issues; in certain situations, the mandate of the committee may be restrictive in scope so as to preclude the integration. In other cases, the necessary information and/or time may not be available. Perhaps, the greatest barrier has been the lack of inclusion of the third sector in the policy process. In the grand scheme of things, the third sector has not been a potent influence.

What then are strategies that can address the policy issues?

#### *Suggestions*

A consensus suggestion from the participants was **the need to integrate the social and economic policy development processes.**

**The third sector needs to be “at the table” for policy discussions.** Representatives from the sector are critical to ensure the linkage to communities and community capacity building. In suggesting this strategy, the contribution of regional economic development boards was acknowledged as an important part of the solution; however, these boards were not seen as sufficient to appropriately and fully represent the concerns of the third sector.

**The support and resources provided to the third sector must be seen as a strategic investment not a drain on resources.** The economic competitiveness of Atlantic Canada will be increased as a consequence of the resources policy-makers channel to the sector. The community capacity building and social capital produced by third sector organizations are critical contributors to economic development.

**Creative uses of public policy should be undertaken to support contributions to the third sector and build human capital** - an excellent example is the Student Work and

Service Program, (SWASP) that provides tuition credit vouchers for post secondary education costs based on student service in third sector organizations.

**The different levels of government should coordinate their policy development to minimize jurisdictional barriers to effective community capacity building.** New federal-provincial agreements (for economic development and other initiatives) should explicitly link social and economic development and ensure participation of the third sector.

**Evaluations of initiatives in community capacity building and third sector development need to recognize the long term nature of the results produced.** There are no magic bullets that will transform communities overnight. Measurement of outcomes in community capacity building and third sector development remains an area of ongoing research. Both qualitative and quantitative measures are required in evaluating the contributions of social development; the financial measures and terminology of traditional economic analysis are not sufficient for an appropriate consideration of the consequences of social development. For example, the current measures of the distribution of income tend to have little application at the community level. Social auditing and better outcome measures at the community level need to be pursued.

**Cooperatives should to be given greater considerations as a policy alternative.** The long successful history of cooperatives in Atlantic Canada has demonstrated the benefits of this approach. Consequently, there should be greater consideration of cooperatives as an alternative for building community capacity.

**Changes to the tax system need to be considered.** Greater recognition for charitable financial donations should be made and some process developed to recognize both the volunteer contributions of time and the real costs of volunteering, for example, transportation and child care. It was suggested that changing taxable income reductions from RRSP contributions from 100% to 90% would create the room for greater recognition of volunteer contributions to the third sector.

## ***2. Resources for the Third Sector***

A second dominant theme for the Roundtable was the need for greater resources to flow to the third sector. Some of the research on the third sector has included large institutions such as school boards and hospitals - essentially publicly legislated and funded. While there was no clear consensus regarding the inclusion or exclusion of these large institutions in the ambit

of the third sector, there was broad acknowledgment that most small third sector organizations were poorly resourced compared to the public and private sectors. However, with whatever limited public sector resources they received, these small third sector organizations were able to obtain substantial volunteer support and lever additional private sector resources. In fact, an amazing culture of entrepreneurship, not unlike small business, permeates the third sector.

How then should resources be directed to the third sector?

### Suggestions

**Support and resources for the third sector need to be increased and structured on a stable, long term basis.** Third sector organizations as a rule are not well resourced and much of the funding is short-term and project based. These factors lead to inefficiencies or spending not directed to priorities. Furthermore, given the ongoing resource constraints in the third sector, the current program and grant approach is counterproductive both for the sector and the services provided. Considerable amounts of energy and effort are expended by organizations in competitive pursuit of limited-term program and/or grants. This time would be better focused on serving the mandates of the organizations.

**Funding needs to be pursued from both private and public sector sources.** As a policy direction, it is imperative that governments provide additional resources to the third sector. However, given the substantial benefits that accrue to the private sector from the third sector, there needs to a parallel concerted effort to garner support from the private sector.

**Given there will never be enough resources to support all third sector organizations, a framework for funding needs to be explored and implemented.** Such a framework should consider community capacity building, the development of human capital and social capital, and the implications to economic development.

**The labour venture capital funds should be investigated as a source of support for the third sector.** The labour venture capital funds are an innovative source of levered resources that have been used in a variety of ways. The potential for use in the third sector warrants serious consideration.

**Pilot projects offer an opportunity for governments to gain more collaborative experience with the third sector.** Governments have always been involved in projects with the third sector. These have tended to be driven by policy imperatives set by



government, often perceived as “flavour of the month” within the third sector. The policy projects envisioned in this suggestion should be developed jointly by governments and the third sector and should span multiple years. One way that can be considered to start such initiatives is to establish matching funding from different government departments and agencies; private sector involvement should be encouraged.

**Appropriate measures of qualitative and quantitative outcomes need to be developed for the third sector to ensure that limited resources are used optimally.** The outcomes measures identified in the Policy Process and Direction section, need to be applied in organizations receiving funding from governments. Accountability is important with public resources.

### ***3. Research Required***

A third major theme of the Roundtable was the lack of understanding about the third sector’s roles, contributions and importance to social and economic development. Clearly, additional research is required to elucidate these issues. What steps should be considered?

#### *Suggestions*

**The nomenclature and definition of the sector need to be clarified.** Repeatedly these questions are hotly debated but rarely settled. Work being carried out by the Non-Profit Research Project at Statistics Canada is attempting to aid this process. Ultimately it may be that each piece of research or each undertaking will have to establish its own working definition.<sup>8</sup>

**Broad general research needs to undertaken** to delineate the role and contributions of the third sector and to investigate the relationship between social and economic development. Such initial research should identify and highlight the main areas for more detailed studies into key issues. Ideally, this research should be done by the third sector or conjointly with the sector. In this context, a recommendation should be made to the Federal Government’s Policy Research Secretariat to begin a dialogue with the third sector.

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<sup>8</sup> Editor’s note: It is worth stating that the diversity of this sector may be no greater than the private sector. Similarly the lines are equally blurred (and no less pure or reliant on government support - financial and otherwise than the third sector)

**The concept of the guaranteed annual income should be tested** as a means of generating economic growth in Atlantic Canada.

**Pilot projects should be undertaken to ascertain ways of integrating economic and social development.** These pilot projects should be multi-year with support from all sectors.

**Key data for the third sector research should be identified and made available to researchers.** Data relevant to the question of the contributions of the third sector does exist (e.g., cooperative organizations), though, barriers to access exist. A determination of the available databases needs to be made and efforts made to arrange appropriate access for research purposes. Conducting research with the voluntary community-based sector involves unique challenges. The broad geographical distribution of organizations and the diverse mandates of the sector organizations pose major sampling and methodological problems. A mechanism is clearly required that would facilitate more ready dialogue among researchers and voluntary community-based sector organizations. Internet strategies offer substantial potential and should be pursued. Costs of access to certain data sets are quite expensive.<sup>9</sup>

**A process needs to be developed to support communication among third sector organizations.** Such a communication process would provide timely information access and facilitate the opportunities to learn from other third sector organizations. Organizations within the voluntary community-based sector are disadvantaged with poor information flow on funding opportunities, training resources and best practices. No opportunity exists for sector-wide dialogue on key issues. A dedicated Internet-based information and resources network for the voluntary community-based sector would be effective to address these concerns.

#### ***4. Opportunities for economic growth and development***

The inter-relationship between social and economic development resonates at both the community and policy levels. Third sector organizations are located throughout Atlantic Canada in both urban and rural locations; in some communities, they may be the only organizations present. Governments in Atlantic Canada have indicated their intent to foster economic growth in both rural and urban regions. In that light, the third sector offers unique opportunities for strategic investment in rural and/or urban employment. Such investments

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<sup>9</sup> Editor's note: A fairly comprehensive list has been produced by Statistics Canada. For further information contact Paul Reed who was the delegate at the Roundtable.

offer the associated direct returns in economic activity from employment as well as the contribution made to future economic development.

How should these opportunities be pursued?

### Suggestions

**Initiate a collaborative effort involving the public, private and voluntary community-based sectors to prepare profiles** of community social infrastructure, institutions and contributions to the quality of life and social capital. These profiles can be used as a means to draw investment and as a gap analysis that will highlight the needs for improvement. Resources and support should be extended to communities to mobilize the community effort to address the gaps identified in the profiles.

**Begin a process of increased, long term, stable funding for the third sector as suggested (see Resource Section).** This approach will lead to economic growth and support economic development particularly in rural regions.

**Pursue youth employment strategies through funded positions in the third sector.** Youth unemployment remains at unacceptably high levels at the same time as third sector organizations have substantial needs for staff. Within the third sector, it is known that staff are often multi-skilled, performing a wide variety of organizational tasks in an entrepreneurial environment. Given the desire to prepare youth for employment in the 21st century, the opportunities for youth in the third sector are ideal - especially since it may be possible to pursue these opportunities without leaving their communities. This suggestion will support the third sector at the same time as it provides key experience for our youth.

**Pursue training opportunities through the third sector.** The multi-skilled entrepreneurial environment in third sector organizations makes them productive locations for human capital development. Given the diffusion of third sector organizations throughout Atlantic Canada, it should be possible for many persons to participate in a wide range of training without leaving their communities. Effective training does not happen without dedicated effort by trainees and training organizations. Since voluntary sector organizations do not currently have sufficient resources, additional support will have to be extended to the sector's organizations if they are to provide training venues.

**Invest in supporting volunteers.** Annually volunteers continue to donate millions of hours to third sector organizations. Supporting this effort by funding volunteer expenses or other

resources for volunteers can assist the recruitment and retention of volunteers. Volunteers are critical in building community capacity and thus, ultimately, economic development.

### ***5. Change within the third sector***

Much of the discussion dealt with actions, issues and relationships of the third sector in conjunction with the public and/or private sectors. Supplementary and complementary opportunities were identified within the third sector itself, many of which are precursors to or parallel initiatives for the suggestions already discussed.

What then does the third sector need to do itself?

#### *Suggestions*

**Credibility needs to be established for the sector be considered a full partner with the public and private sectors.** Because of its diffuse nature and diverse constituents, the third sector has not fully appreciated, its size, scope, role and contributions. Some community-based organizations, caught up in the challenges to serve and survive, do not visualize themselves as part of a sector. Some effort must be made to provide a greater understanding of the sector within the sector itself and to develop ways and means to act as a sector. Part of this issue is to define who belongs in the sector and who does not. The question of inclusion of health, hospitals and school boards - quasi-public institutions with volunteer governance - remains to be resolved.

**Catalyst and intermediary organizations must expand their efforts** toward building infrastructure that will support the voluntary community-based sector. If voluntary community-based organizations can become more effective, volunteers and staff can be more appropriately directed to their mandates, thus increasing community capacity.

**Orchestrating the voices of the sector.** The issue of how to establish leadership and spokespersons for the sector need to be addressed. Collective representation for thousands of diverse organizations is a daunting challenge. Yet, some form of voice is required if the sector is to fully participate with the other sectors. Provincially, regionally and nationally, some way to provide leadership and representation for the voluntary sector is essential.

**The unique amalgam of relationships among staff, volunteers and communities that is the heart of the third sector must be preserved.** With closer ties to the governments and the private sector, there are risks of losing the original purposes and focus of the third sector. Developing more effective relationships with the other sectors is essential; however, the third sector should never become government nor solely government's agent.

**The name "third sector" should be reviewed<sup>10</sup>.** The connotation of "third" invoked comparisons with "third world" terminology for some participants - i.e., poorer, unequal status. It also raises the question of which sectors are "first" and "second." Since the view was that closer relationships be developed with the public and private sectors on a peer basis, the name may be problematical. A universally accepted alternative however, has not yet been found.

**Communication among third sector organizations should be more fully developed and enhanced.** Communication among organizations is critical if the third sector is to achieve its potential. Timely, useful information must be made available to third sector organizations and regular accessible means must be developed for third sector organizations' dialogue and discussion. Information technology and a dedicated Internet gateway might be a logical tool.

## **Summary Comments From Roundtable Co-chairs**

The co-chairs indicated their thanks for the thoughtful comments and discussion during the Roundtable. Martin Abrams noted that governments were showing interest in three concepts related to the issues raised at the Roundtable.

First, **horizontality**, governments are moving toward integration of departments and agencies - based on the premise that no one group is able to deal with an issue in total. How regional, provincial and national concerns can be addressed effectively remains to be answered. The third sector can assist substantially in this process.

Second, **trade and foreign investment** loom large as the economic engine for Canadian growth. The importance of social and economic precursors in investment decisions should not be ignored in Atlantic Canada.

Third, **accountability** is paramount with governments as they seek to avoid past mistakes and ensure that optimal results are achieved with public expenditures. Despite the challenges for

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<sup>10</sup> Editor's note: To support the concept of sectors while avoiding the negative connotations of "third sector," reference may be made to the three pillars of society.

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accountability in the third sector, it will be critical to develop appropriate outcome measures to facilitate collaboration with governments.

Penelope Rowe concluded that the role of ACOA, with its broad mandate for economic development in Atlantic Canada (increasing the number of jobs, enhancing earned incomes, and advocating the region's interests in the development of national policies, programs and services), might be more liberally interpreted and a broader approach taken which would assist the region to develop appropriate policy frameworks and methods to translate growing evidence into more direct, concrete action. Development of pilot projects should be explored.



## **5. Progress Since the Roundtable**

Since the Roundtable in January 1998, the world has continued its rapid pace of change. So too has the third sector. Progress on many of the issues and suggestions identified during the Roundtable discussion can be reported. While substantial concerns remain, there appears to be an enhanced appreciation of the importance of the issues raised and indeed, action on a number of fronts. Internationally, the Organization for Economic Cooperation and Development has articulated an integrated economic and social development model based on the concept of the “triangular paradigm.”<sup>11</sup> There have also been exciting developments within governments and in the voluntary community-based sector.

EKOS Research has undertaken its 1998 Rethinking Government survey including questions about perceptions of various institutions. The following charts indicate a very significant degree of confidence in “non-profit and voluntary organizations” especially in comparison to public employees and government. It is particularly interesting to note that in this survey EKOS used the terminology voluntary and non-profit, rather than “third sector” and the recognition level seems much higher.

### **Public Interest**

#### **“How well do each of the following instructions serve the public interest?”**

Reproduced from EKOS Research Assoc. Inc. Canadians and Their Public Institutions (abridged version 1998)

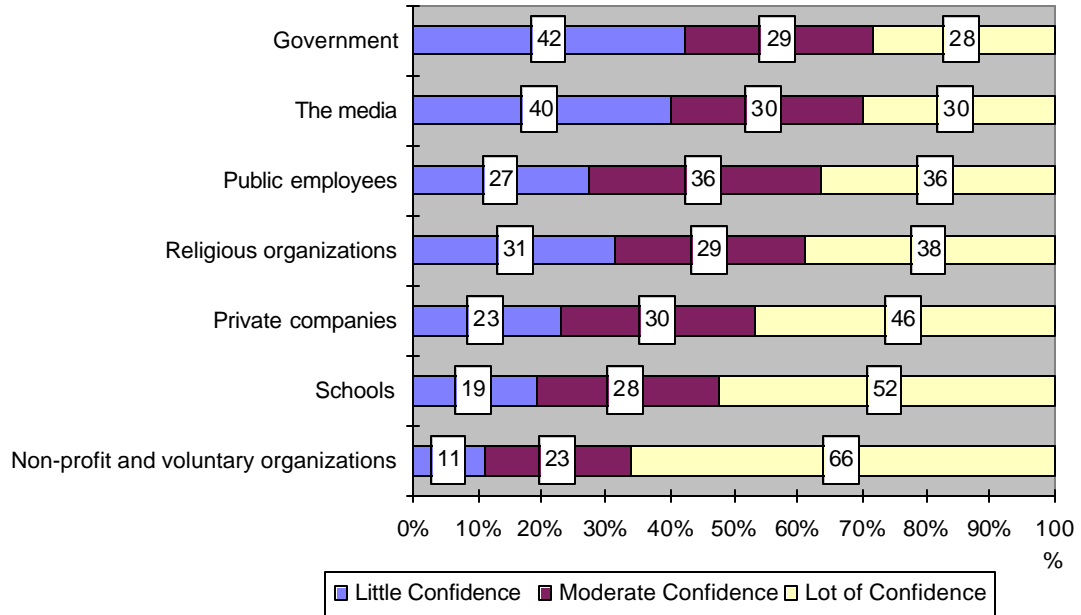
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<sup>11</sup>

Social Policy Issues, Donald J. Johnston, Secretary General of the OECD.



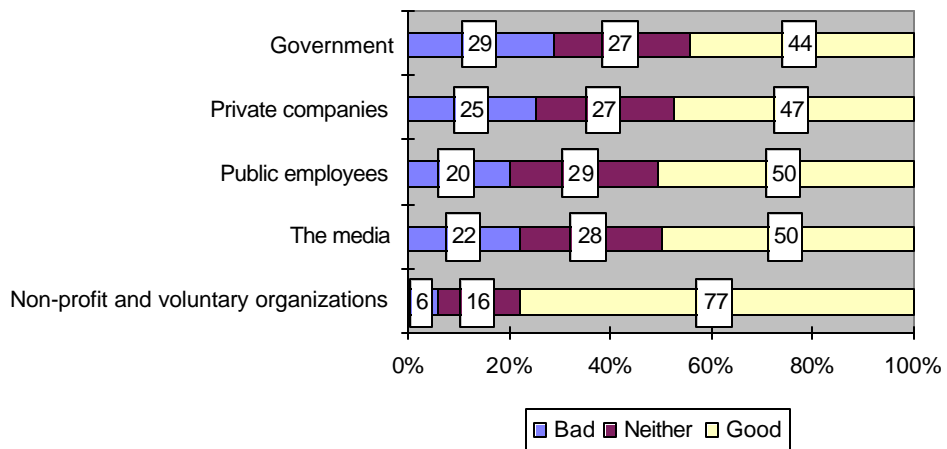
Confidence in Institutions



\* Please rate how much confidence you have in each of these institutions

Reproduced from EKOS Research Assoc. Inc. Canadians and Their Public Institutions (abridged version 1998)

These figures underscore the merit in taking greater account of how such groups operate and



how governments at all levels might learn new ways of doing business. There clearly is an appreciation for more local level contact and interaction.

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These findings corroborate the discussion at the ACOA / Community Services Council Roundtable which identified the need for better communications and for finding ways to get the third sector “at the table” when agreements, policy and programs are being developed by both levels of government.

At the macro level, there have been major policy initiatives in the federal, provincial and federal-provincial environments.

## **Federal Government Initiatives**

The **Atlantic Canada Opportunities Agency** has continued its strategic direction and support for the third sector.

Investigative work done by an ACOA fact-finding visit to Scotland, Sweden and Finland<sup>12</sup> found that the economically disadvantaged regions in those countries shared common characteristics with the province of Newfoundland and Labrador. In Scotland, the counterpart of ACOA Newfoundland, Highland and Islands Enterprise has, as one of three strategic objectives, to strengthen communities, i.e., to increase opportunities and improve facilities and services which enhance the quality of community life. At the local level, Local Enterprise Companies - the approximate counterparts of Regional Economic Development boards - are involved in activities to strengthen communities and culture. In Scotland, economic development organizations take a broad approach with support provided for a wide variety of community activities. A significant conclusion of this investigation was the importance of effecting a fusion between social and economic policy development.

ACOA has provided funding to the Community Services Council to develop a proposal for ***N-ViSiON***, - **the Newfoundland and Labrador Voluntary Sector Information Network**, a high quality, tailor-made internet gateway for voluntary community-based sector organizations, incorporating a customized server to facilitate targeted and interactive information and resource sharing among sector organizations, communities and governments. The network will support and augment the sector's role in fostering a climate for economic growth and social development. It will be an excellent opportunity to respond to the need identified at the Roundtable and create linkages across sectors and disciplines. ***N-ViSiON*** will be an online social planning, research, social policy and training network for primary use by the province's voluntary and social development sectors.

Within **Human Resources Development Canada**, *community capacity building* has been established as a major priority and as one of the five pillars of its strategic directions. Historically, HRDC has supported a wide range of community-based employment-oriented projects as well as research about the community-based sector.

In March 1999, HRDC provided support to the Community Services Council to arrange a **Provincial Symposium, *Values Added - the Voluntary Community-based Sector in Newfoundland and Labrador***. Participants from the sector engaged in a strategic planning

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<sup>12</sup> Economic Development in European Peripheral Regions, ACOA Visit to Scotland, Sweden and Finland, February 7-22, 1998, Presentation by K. MacDonald, ACOA for representatives of the Community Services Council.

process and developed action plans related to: job creation; human resource (staff and volunteers) development; building recognition for and positioning the sector by improved communications and funding. The Symposium brought together leaders from the sector from around the province and federal and provincial officials involved with the Labour Market Development Agreement.

At the national level, HRDC has collaborated with Volunteer Canada to develop the Volunteer Opportunities Exchange, that electronically links information about voluntary organizations with prospective volunteers and vice-versa. Kiosks will be set up in public locations.

**Industry Canada**, through the Community Access Program, has supported the provision of computer resources and Internet access in communities throughout the province. In partnership with voluntary community-based organizations, Industry Canada has developed **VOLNET**, a program to provide computer resources and facilitate Internet access for community-based organizations in Canada. The Community Services Council is the delivery agency in Newfoundland and Labrador.

**Statistics Canada** with financial support from **the Kahanoff Foundation** has embarked on an ambitious community-based sector research and knowledge base project. This will catalogue publicly available datasets; design of a set of civic accounts; build a framework for a proposed system of statistics for the private sector and a taxonomy to defining and classifying the voluntary community-based sector.

### Provincial Government Initiatives

The **Province of Newfoundland and Labrador** has released its seminal policy document - *People, Partners and Prosperity, a Strategic Social Plan for Newfoundland and Labrador* and created the **Premier's Council on Social Development**.

The plan is a framework for social action which identifies government's major social strategies and sets out its long term goals. It endorses a community development process which will engage people, communities and regions in working with government to achieve social and economic prosperity. It is a long term strategic framework to guide action which establishes broad strategic goals related to people's well being, employment and economic security and to community stability.

This signals a shift in the role of government, a shift which encourages individuals, families and communities to assume greater responsibility and self reliance. This moves the poles of

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social organization in two directions: from government to the private sector, associations and individuals; and from central to regional and local levels.

The Strategic Social Plan cites the following strategic goals for social development:

- building on community and regional strengths;
- integrating social and economic development;
- investing in people

### Goals for Strategic Social Development

- I. Vibrant communities where people are actively involved:
  - < effective partnerships;
  - < communities involved in planning and delivery;
  - < coordinated service delivery;
  - < regional investments linked to development opportunities.
  
- II. Sustainable regions based on strategic investment in individuals, families and communities:
  - < labour market which supports economic and social development;
  - < employment generation in private and community-based sectors;
  - < a qualified labour force.
  
- III. Self-reliant, healthy, educated citizens living in safe, nurturing communities:
  - < improved access and quality of services;
  - < citizens able to meet basic needs and achieve self-reliance;
  - < reduced social and health problems.
  
- IV. Integrated and evidence-based policy development and monitoring as the foundation for the design, delivery and evaluation of social development programs and services:
  - < integrated, evidence-based policy development;
  - < consistency between policy and delivery;
  - < effective monitoring and evaluation.

The plan requires horizontal, interdepartmental partnerships; strategic partnerships with the federal government; strategic partnerships with the community by building regional and local partnerships,

The plan states that an important challenge for government is to find appropriate ways to foster the **broad participatory processes** that support implementation of the plan. It will need to develop the capacity of communities to act in ways that support the overall objectives of the Plan and respond to unique individual circumstances. This development of *community*

*capacity* means supporting active involvement of community groups, volunteers and citizens who ultimately build healthy, strong communities. And further that leadership must be strengthened in localities where the community-based sector is under developed.

In addition the **Government of Newfoundland and Labrador** has committed to prepare a new Strategic Economic Plan based on current circumstances and on the views of citizens today. Government has stated the Strategic Economic Plan needs to be integrated with the Strategic Social Plan to create an overall Strategic Plan for the social and economic development of the province. This commitment (made in the Red Book for the 1999 election) gives a strong signal of the need for integration and sets the stage for a greater involvement of the voluntary community-based sector - the foundation of social development.

The **Province of New Brunswick** initiated a process of social policy renewal. It established a special Cabinet Committee on Social Policy Renewal and has appointed a Social Policy Renewal Roundtable. A discussion paper on Social Policy "Building Tomorrow Together" has been released as the basis for public dialogue.

## **Federal-Provincial Initiatives**

The articulation of a new federal-provincial *Social Union* framework is major step in intergovernmental policy development. A key aspect of the *Social Union* framework is the requirement for public input in the process. Voluntary community-based organizations are quintessential examples of citizens grouping together to address issues of concern. As a consequence, the third sector has a vital role to play as the *Social Union* framework develops.

## **The Voluntary Community-based Sector in Newfoundland and Labrador**

Within **Newfoundland and Labrador**, some key developments have advanced the agenda. Recent research in Newfoundland and Labrador, conducted by the Community Services Council in 1997-98, demonstrated that the sector incorporates about 5000 organizations distributed throughout the province. These organizations are registered charities (Revenue Canada), provincially registered non-profit organizations or unregistered informal organizations. In a telephone survey of 329 organizations, about 2000 employees - nearly 1% of the employed workforce in the province - were reported by community-based organizations. Approximately, one-quarter of the organizations reported no staff at all - i.e., they were operated solely by volunteers. To meet the demand for the existing level of

services, the sector required an additional 26% more employees; financial constraints are preventing these positions from being filled.

The study identified five factors necessary for the community-based sector to grow, flourish and optimize its contributions to social and economic development:

- < widespread understanding of the role and contributions of the sector;
- < infrastructure support for the sector (facilities, staff, communications, and networks);
- < employment growth and human resources development - broad training requirements for volunteers and staff;
- < effective linkages with the private and public sectors;
- < increased, stable, long-term and consistent funding and resources.

This research was supported by Human Resources Development Canada and the Government of Newfoundland and Labrador through the Labour Market Development Agreement.

The development of the *N-ViSiON*, - **the Newfoundland and Labrador Voluntary Sector Information Network** proposal flowed from the finding about communications and the need for improved linkages. The Community Services Council with technical assistance from ZeddComm has completed a feasibility study of the concept and has submitted a project proposal for review.

### **The Voluntary Community-based Sector at the National Level**

At a National level the Panel on Accountability and Governance in the Voluntary Sector has released its final report, *Building on Strengths: Improving Governance and Accountability in Canada's Voluntary Sector*. This document addresses many key issues and should form part of a significant federal government agenda to work with the voluntary sector to identify policy priorities.

A paper, *Work in the Nonprofit Sector: The Knowledge Gap*, appeared in the *Philanthropist* in September 1998. The purpose of the article is to raise key questions which are emerging about work in the community-based sector, to highlight gaps in current knowledge, and to identify steps for further research in this area.

Representatives from voluntary community-based organizations participated with federal government officials in Joint Tables convened by the Privy Council Office. The discussions reflected the increased awareness of the importance of the voluntary community-based

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sector. The report of the Joint Tables released in August 1999, *Working Together, A Government of Canada/Voluntary Sector Joint Initiative*, formulated recommendations to build new relationships, to strengthen the capacity of the sector and to reform the regulatory environment. In the Speech from the throne in October 1999, the federal government committed to developing an accord with the voluntary community-based sector - one of the alternatives outlined in the Joint Tables report.

In light of these developments, it is clear that a window of opportunity is opening for greater involvement and engagement of the sector, and for initiatives to further and position the sector. What then are the priority next steps to build on the efforts of the ACOA-CSC Roundtable?





## **6. Priority Next Steps**

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There are important steps that need to be undertaken now to position and support the voluntary community-based sector and to optimize its contribution to social and economic development. The **Community Services Council** recommends as a follow-up to the Roundtable that:

*an Atlantic Canada Research and Development Forum be established to integrate and transfer existing knowledge, and to fund and/or sponsor additional research and policy development as required.*

*Three specific projects should be undertaken by this Forum:*

- Ÿ **to form an Atlantic Canada task force involving the public, voluntary community-based and private sectors to investigate and recommend strategies to include the voluntary community-based sector in the policy process;**
- Ÿ **to form an Atlantic Canada task force on labour market development and employment growth in the voluntary community-based sector;**
- Ÿ **to initiate a series of strategic community investments in the voluntary community-based sector and monitor the social and economic development outcomes.**

### **The Atlantic Canada Research and Development Forum (ACRDF)**

This recommendation will address the problems of horizontality in knowledge in the public, private and voluntary community-based sectors, and in academe. Participants in the Roundtable emphasized the disconnect between the knowledge base related to economic development and that related to social development. Even where knowledge exists, it has not been effectively transferred or integrated. Where knowledge does not exist, it should be generated. ACRDF would address these issues. Central to the recommendation is the establishment of provincial processes that would ensure that efforts undertaken would both reflect provincial realities/sensitivities and build regional strengths and knowledge. ACRDF would be overseen by a Regional Steering Committee that would ensure the free flow of results and ideas across the provinces and amongst sectors. ACRDF would provide the

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overall direction to the process and utilize the critical mass of resources in Atlantic Canada or elsewhere. Partnership in ACRDF would draw from:

- < Federal Government Departments/Agencies (possibly through Federal Regional Councils)
- < Provincial Government Departments/Agencies
- < Representatives from voluntary community-based sector organizations
- < Social policy researchers
- < Economic development researchers
- < Organizations with broad mandates for economic and/or social development (e.g., The Premier's Council on Social Development in Newfoundland and Labrador, regional economic development boards, Community Service Council Newfoundland and Labrador).

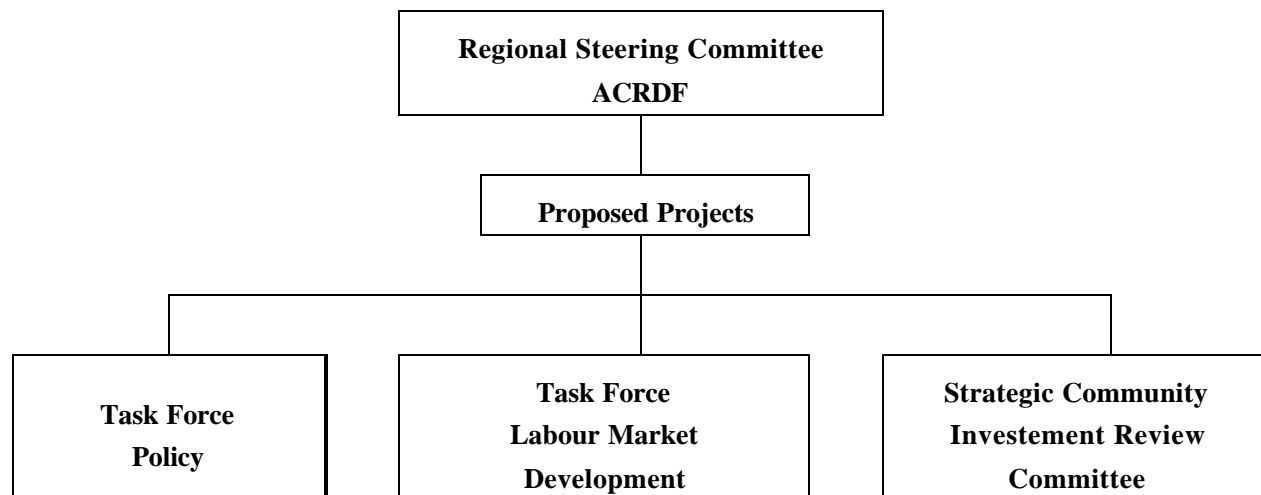
The essential mandate for the ACRDF would be to provide a knowledge base and a framework for broader understanding of the inter-relationship between economic and social development. The contributions and roles of the voluntary community-based sector need to be incorporated in this knowledge base and framework.

This recommendation is consistent with discussions held in Newfoundland in March 1999 with representatives of the federal government's Policy Research Secretariat. It was evident that participants saw a strong requirement for strengthening the voice of Atlantic Canada within the context of federal government decision-making.

Similarly, seeking horizontality must move beyond connections amongst government departments in some formal manner. The Roundtable underlined the importance of moving beyond discussion to "internalizing, integrating and formalizing" not only communication but also ensuring the integration at the front end of developing intergovernmental agreements.

First steps - ACOA, with its mandate for coordination of economic development in Atlantic Canada and its ability to mobilize multi-stakeholder partnerships should convene and support a planning group with two objectives: to more fully explore this concept and to craft a proposal for the development of ACRDF. ACOA should be the lead public-sector partner and funder in the ACRDF that emerges.

## Conceptual Structure Including Proposed Projects



## Initiatives to be undertaken through the ACRDF

### 1. *Atlantic Canada Task Force to Include the Voluntary Community-based Sector in the Policy Process (ATF Policy)*

One of the strongest, most urgent messages from the Roundtable discussions is the need to incorporate the voluntary community-based sector in the policy process, e.g., before federal-provincial agreements are finalized. A regional task force is therefore envisioned to give weight and recognition to the importance of the issue. However, each of the Atlantic provinces has unique characteristics and a social-political milieu unlike any other. Therefore, the process should be grounded in individual provincial approaches - these could be working groups - with very focused mandates to achieve four critical objectives:

- < to provide to the public sector members an increased understanding of the roles and contributions of the voluntary community-based sector;
- < to provide to the voluntary community-based sector members an increased understanding of the new and emerging strategic directions of government departments and agencies;
- < to build on this knowledge and formulate strategies that will facilitate partnership of the public and voluntary community-based sectors in the policy process;
- < to implement and evaluate different policy partnership models that are recommended by the task force.

The provincial working groups should bring their results to the task force established by ACDRF. Dissemination of results and best practices can be coordinated easily using this approach.

First steps - The ACDRF with the support of ACOA should seek the involvement of stakeholders in each of the four Atlantic provinces and obtain the necessary resources to further this initiative. With emerging knowledge about the importance of the voluntary community-based organizations in sustainable development, support for this initiative by provincial and federal departments/agencies (including ACOA) will be strategic. Research, development, pilot testing and evaluation of approaches and models of incorporating the voluntary community-based sector in the public sector planning process are all required if economic and social development objectives are to be achieved. ACOA, with its regional mandate for coordination of economic development and natural linkages with provincial jurisdictions is a logical catalyst to support these initiatives. Partnerships with other government departments/agencies at the federal, provincial and possibly other levels are essential and will develop as an implicit product of the ATF Policy process.

## ***2. Atlantic Canada Task Force on Labour Market Development and Employment Growth (ATF LMD)***

Research conducted by the Community Services Council has identified the potential for substantial employment growth within the sector. Much of this employment growth potential is located in economically disadvantaged regions. There exists already a haphazard approach to providing support to voluntary community-based organizations, usually program or grant-oriented based on the objectives of individual government programs or on the delivery of specific government services. These approaches are perceived as narrow and often dysfunctional by the voluntary community-based sector. Appropriate labour market development, income enhancement and optimal employment growth will not occur with the status quo. The use of resources currently directed toward the sector and additional resources of different kinds should be examined.

With the sector, the development of a broad range of professions and skills is required and a strategic view of the sector adopted. The task force should consider three main issues:

- < the potential and precursors for increased income enhancement and employment growth in the voluntary community-based sector;
- < the implications for community capacity building and social and economic growth;
- < recommendations for specific strategies including proposed implementation plans.

With this initiative, as with the Task Force on Policy, there are cogent arguments for a regional approach that incorporates provincial differences and variations. As a consequence, there may be substantial merit in dovetailing or linking the two initiatives. This approach would avoid duplication of representation from government departments/ agencies and the voluntary community-based sector. Information gathering, consensus building, coordination and dissemination would be simplified.

First steps - The ATF LMD is an initiative that warrants independent action on its own merits. Given the real potential, contributions and value of employment in the voluntary community-based sector, ACOA should support ACRDF in the formation of an interim regional working group that would develop a proposal for a broad regional-based project built on contributions from and processes based in each of the Atlantic provinces. This approach would facilitate creative dialogue among key stakeholders as well developing the requisite regional partnerships for the implementation of any strategies. Ultimately, support for the ATF LMD would logically be sourced from a number of provincial and federal departments/agencies including ACOA.

### ***3. Strategic Community Investments (SCI)***

The first two recommended initiatives involve traditional research processes. This third initiative focuses on learning by doing - action research. This work would involve projects relevant to and based in the Atlantic Canada region.

The emerging knowledge about the interrelationship between economic and social development and the importance of the voluntary community-based sector to each, is not rich in best practices or experiences that guide development in Atlantic Canada. To obtain first hand knowledge of what will work effectively and efficiently, there is a need to undertake a program of strategic investments in the voluntary community-based sector. The SCI would logically include demonstration projects directed to infrastructure supporting the voluntary community-based sector and/or to specific projects proposed by sector organizations. A variety of projects should be undertaken and supported over a sufficient time to determine the benefits derived.

The assessment of costs and benefits and project accountability are essential. Therefore, vital to this process will be the determination of the economic and social outcomes arising from the investments.

Projects to be considered for SCI can arise from a number of sources including:

T departments/agencies involved in ACRDF and/or its initiatives - e.g., the ATF Policy, ATF LMD processes already identified;

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- T a public or invited call for proposals and partnerships (public, private and voluntary community-based); or
- T regional and/or provincial forums with objectives to develop a list of potential strategic investments and partnerships.

Funding of the SCI will require commitment of resources. This process should involve provincial and federal government departments/agencies as well as the private sector. Broad societal benefits will accrue from the investments; support from the private and public sectors would be logical and appropriate.

First steps - Support for this initiative of ACRDF by ACOA alone warrants serious consideration. Pilot and demonstration projects are ideal, cost-effective ways to determine the best ways to support economic development, job creation and income enhancement through support of the voluntary community-based sector. Partnerships with other government departments/ agencies and the private sector for an expanded and/or evolved initiative should be sought by ACRDF with the support of ACOA. These may logically emerge from the interim regional working group proposed for the ATF LMD initiative.

### *Proposed Time frame for Projects*

Each of the three proposed initiatives are independent freestanding projects. Each is timely for early implementation. The three initiatives are consistent and mutually supportive, and should be undertaken simultaneously if possible.

Consideration of relative priority and implementation as early as possible should be urgent issues for the ACRDF, once it is established.

Exhibit One

# *Rethinking Government*

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Presentation to  
Roundtable on the Role of  
the Third Sector and the Social Economy  
in Economic Development and Additional Data for  
Atlantic Canada Provided After the Roundtable

Ekos Research Associates Inc.  
Les Associés de recherche Ekos inc.

Tables restructured by the Community Services Council  
January 1999



<b>Tracking Federal Government Involvement</b> - “Overall, what would you like to see the federal government do in the future?”			
<b>Ekos Research Associates Inc. Data - Compiled by the CSC</b>			
<b>Results for Canada</b>			
<b>Activist Preserver *</b> <b>(AP)</b>	75%	80%	88%
<b>Active Advantage *</b> <b>(AP-DM)</b>	50%	60%	77%
<b>Devolve-Minimalist</b> <b>* (DM)</b>	25%	20%	11%
	<b>1995</b>	<b>1996</b>	<b>1997</b>

\* Editors note - The category, “activist-preserver,” implies a public sector that actively intervenes in the economic and social affairs of the nation/province. “Devolve-minimalist” connotes a *laissez-faire* approach where market forces and the private sector are the major forces. The “active-advantage” category is intermediate between the two extremes.

<b>Role of Government</b> - Which of the following best reflects your view: “Governments need to transform themselves to more closely resemble businesses in order to become more efficient and results oriented” OR “Too much focus on private sector practices will weaken government’s ability to protect the public interest”			
<b>Ekos Research Associates Inc. Data - Compiled by the CSC</b>			
<b>1997</b>	<b>Don’t Know</b>	<b>More Like Business</b>	<b>Protect Public Interest</b>
<b>Atlantic Region</b>	1%	27%	73%
<b>Canada</b>	3%	34%	63%

**A Resuscitation of Compassion?** - “These days I’m so hard-pressed to take care of my own need that I worry less about the needs of others”

**Ekos Research Associates Inc. Data - Compiled by the CSC**

<b>1997</b>	<b>Disagree</b>	<b>Neither</b>	<b>Agree</b>
<b>Atlantic Region</b>	36%	18%	46%
<b>Canada</b>	41%	16%	42%
<b>1994</b>	<b>Disagree</b>	<b>Neither</b>	<b>Agree</b>
<b>Atlantic Region</b>	27%	16%	55%
<b>Canada</b>	26%	17%	56%

**Tracking Performance of Government** - “How would you rate the overall performance of...?”

**Ekos Research Associates Inc. Data - Compiled by the CSC**

	<b>1997</b>	<b>Bad</b>	<b>Neither</b>	<b>Good</b>
<b>Federal Government</b>	<b>Atlantic Region</b>	27%	41%	32%
	<b>Canada</b>	30%	32%	37%
<b>Provincial Government</b>	<b>Atlantic Region</b>	40%	27%	32%
	<b>Canada</b>	46%	22%	31%
<b>Local Government</b>	<b>Atlantic Region</b>	36%	30%	32%
	<b>Canada</b>	29%	27%	42%

<b>Impact of Government</b> - “Please rate the overall impact that the ... has on your life?”				
<b>Ekos Research Associates Inc. Data - Compiled by the CSC</b>				
	<b>1997</b>	<b>Negative Impact</b>	<b>No Impact</b>	<b>Positive Impact</b>
<b>Federal Government</b>	<b>Atlantic Region</b>	28%	29%	42%
	<b>Canada</b>	30%	34%	35%
<b>Provincial Government</b>	<b>Atlantic Region</b>	43%	30%	26%
	<b>Canada</b>	41%	25%	32%
<b>Local Government</b>	<b>Atlantic Region</b>	31%	39%	29%
	<b>Canada</b>	24%	42%	32%

<b>Familiarity with the Third Sector</b> - “How Familiar are you with the term “third sector?”			
<b>Ekos Research Associates Inc. Data - Compiled by the CSC</b>			
<b>1997</b>	<b>Not Familiar</b>	<b>Somewhat Familiar</b>	<b>Very Familiar</b>
<b>Atlantic Region</b>	88%	7%	3%
<b>Canada</b>	81%	12%	7%

**Participation in Voluntary Groups** - “How often have you participated in a voluntary group or association?”

**Ekos Research Associates Inc. Data - Compiled by the CSC**

<b>1996</b>	<b>Never</b>	<b>Occasionally</b>	<b>Frequently</b>
<b>Atlantic Region</b>	40%	32%	28%
<b>Canada</b>	41%	33%	26%

**The End of Work** - “How likely is the ‘end of work’ thesis (a very serious and permanent shortage of jobs)?”

**Ekos Research Associates Inc. Data - Compiled by the CSC**

<b>1997</b>	<b>Not Likely</b>	<b>Somewhat Likely</b>	<b>Very Likely</b>
<b>Atlantic Region</b>	23%	27%	48%
<b>Canada</b>	34%	23%	42%

**The End of Work** - (If likely) “How serious will the consequences be for Canadian society?”

**Ekos Research Associates Inc. Data - Compiled by the CSC**

<b>1997</b>	<b>Not at all Serious</b>	<b>Somewhat Serious</b>	<b>Extremely Serious</b>
<b>Atlantic Region</b>	1%	9%	90%
<b>Canada</b>	1%	11%	87%

**The Transition to the End of Work** - “We should be actively planning for how to manage the transition to a world without enough jobs for all those who want to work”

**Ekos Research Associates Inc. Data - Compiled by the CSC**

<b>1997</b>	<b>Neither</b>	<b>Agree</b>	<b>Disagree</b>
<b>Atlantic Region</b>	12%	79%	8%
<b>Canada</b>	13%	74%	12%

**The Transition to the End of Work** - “Who should be primarily responsible for this transition?”

**Ekos Research Associates Inc. Data - Compiled by the CSC**

	<b>1997</b>	<b>Percent</b>
<b>Federal Government</b>	<b>Atlantic Region</b>	59%
	<b>Canada</b>	47%
<b>Provincial Government</b>	<b>Atlantic Region</b>	9%
	<b>Canada</b>	17%
<b>Business</b>	<b>Atlantic Region</b>	11%
	<b>Canada</b>	13%
<b>Private Citizens and households</b>	<b>Atlantic Region</b>	11%
	<b>Canada</b>	14%
<b>Not-for-profit and Voluntary Organizations</b>	<b>Atlantic Region</b>	4%
	<b>Canada</b>	4%

**Shifting Government Responsibility** - “To what extent do you think the third sector is capable of assuming increased responsibility for areas which have traditionally fallen under government jurisdiction?”

**Ekos Research Associates Inc. Data - Compiled by the CSC**

<b>1997</b>	<b>To No Extent</b>	<b>To a Moderate Extent</b>	<b>To a Great Extent</b>
<b>Atlantic Region</b>	20%	47%	28%
<b>Canada</b>	27%	37%	33%

**Shifting Government Responsibility** - “To what extent do you think the private sector is capable of assuming increased responsibility for areas which have traditionally fallen under government jurisdiction?”

**Ekos Research Associates Inc. Data - Compiled by the CSC**

<b>Atlantic Region</b>	16%	37%	46%
<b>Canada</b>	22%	28%	49%

**Shifting Responsibilities to the Third Sector** - “What impact would shifting responsibility to the third sector have on each of the following areas?”

**Ekos Research Associates Inc. Data - Compiled by the CSC**

	<b>1997</b>	<b>Don't Know</b>	<b>Negative Impact</b>	<b>Neither</b>	<b>Positive Impact</b>
<b>Costs and Efficiencies</b>	<b>Atlantic Region</b>	5%	17%	23%	55%
	<b>Canada</b>	3%	21%	21%	55%
<b>Quality of Service Delivery</b>	<b>Atlantic Region</b>	3%	18%	26%	53%
	<b>Canada</b>	2%	22%	26%	49%
<b>Measurable Results</b>	<b>Atlantic Region</b>	6%	12%	31%	51%
	<b>Canada</b>	4%	21%	31%	44%

<b>Views of the Third Sector</b>			
<b>Ekos Research Associates Inc. Data - Compiled by the CSC</b>			
<b>“I think the increased use of the volunteer sector is a positive way of expanding citizen involvement”</b>			
<b>1997</b>	<b>Disagree</b>	<b>Neither</b>	<b>Agree</b>
<b>Atlantic Region</b>	12%	18%	74%
<b>Canada</b>	14%	17%	68%
<b>“I think that the increased use of the volunteer sector is just a way of offloading traditional government responsibilities</b>			
<b>1997</b>	<b>Disagree</b>	<b>Neither</b>	<b>Agree</b>
<b>Atlantic Region</b>	31%	20%	48%
<b>Canada</b>	25%	18%	56%
<b>“I think the increasing use of the voluntary sector for things like workfare and young offender boot camps is weakening notions of volunteerism and community participation”</b>			
<b>1997</b>	<b>Disagree</b>	<b>Neither</b>	<b>Agree</b>
<b>Atlantic Region</b>	30%	35%	33%
<b>Canada</b>	34%	27%	37%

<b>Financial Support to the Third Sector- “Government should consider offering financial support for those who might want to work in the not-for-profit or non-governmental sector”</b>			
<b>Ekos Research Associates Inc. Data - Compiled by the CSC</b>			
<b>1997</b>	<b>Neither</b>	<b>Disagree</b>	<b>Agree</b>
<b>Atlantic Region</b>	25%	21%	52%
<b>Canada</b>	21%	28%	49%

## Appendix 1: What Does a "Healthy" Community Look Like?

<b>Healthy</b>	<b>Unhealthy</b>
optimism	cynicism
focus on unification	focus on division
"We're in this together"	"Not in my backyard!"
solving problems	solution wars
reconciliation	hold grudges
consensus building	polarization
broad public interests	narrow interests
interdependence	parochialism
collaboration	confrontation
win-win solutions	win-lose solutions
tolerance and respect	mean-spiritedness
trust	questioning motives
patience	frustration
politics of substance	politics of personality
engaged citizens	apathetic citizens
diversity	exclusion
citizenship	selfishness
challenge ideas	challenge people
problem-solvers	blockers & blamers
individual responsibility	me-first
listening	attacking
healers	dividers
community discussions	zinger one-liners
focus on future	re-debate the past
sharing power	hoarding power
renewal	gridlock
"We can do it!"	"Nothing works."

Community capacity correlates with what many people refer to as a "healthy community". Signs of a healthy community include amenities such as recreational facilities, parks, open spaces and so forth. These things generally occur because a community has made (or is capable of making) good decisions. Communities require certain attitudes to be able, consistently, to make good decisions. Lack of these attributes will likely undermine community capacity (Aspen Institute, 1996).





**Appendix 2: Roundtable Participants**

<b>Name</b>	<b>Organization</b>
Greg Anthony	Newfoundland & Labrador Employers' Council
Elizabeth Beale	President, Atlantic Provinces Economic Council
Dorothy Bragg	Board Member, Newfoundland & Labrador Nurses' Union
Jim Brown	Health Care Corporation
Moyra Buchan	Executive Director, Canadian Mental Health Association
Don Cafferty	Atlantic Canada Opportunities Agency
Harry Connors	NewTel Communications
Irene d'Entremont	Board Member, Atlantic Canada Opportunities Agency
Sister Elizabeth Davis	Chief Executive Officer, Health Care Corporation of St. John's
Carol Evoy	Senior Program Policy Consultant, Human Resources Investment Branch
Ben Ferguson	Atlantic Canada Opportunities Agency
Brenda FitzGerald	Assistant Deputy Minister, Dept. of Health
Glen Fitzpatrick	Executive Director, Newfoundland & Labrador Federation of Co-operatives
Patrick Flanagan	Partners For Youth
Randy Follett	Executive Director, Newfoundland & Labrador Arts Council
Debbie Fry	Deputy Minister, Human Resources and Employment
Paul Gardner	Medical Director, Newfoundland Cancer Foundation
Robert Greenwood	Director of Policy and Strategic Planning, Development and Rural Renewal
Sandy Griswold	Atlantic Canada Opportunities Agency
Tom Hawco	Consultant, Federal / Provincial Relations, Human Resources Development Canada
Janet Kelly	Auntie Crae's
Dave King	Seabright Corporation
Joanne Linzey	President & CEO, United Way Halifax
Adele MacDonald	Executive Director, Heart and Stroke Foundation

## Fostering a Climate for Growth and Development

Name	Organization
Earle McCurdy	President, FFAW
Elizabeth Mills	Executive Director, Voluntary Planning, Economic Renewal Agency
Paul Mills	Atlantic Canada Opportunities Agency
David Moores	Atlantic Canada Opportunities Agency
Sandra Murphy	Supervisor, Volunteer Centre
Dr. Dan O'Brien	President, St. Thomas University
Mary O'Brien	ACOA Board Member
Robert Olivero	Chair, Public Service Commission
Rob Pitt	Vice President & Partner, Canning & Pitt Associates, Inc.
Patti Powers	Senior Policy Analyst, Human Resources and Employment
Margaret Pye	Chairperson, Southeastern Aurora Development Corporation
Paul Reed	Secretary, Advisory Group on Nonprofit Sector Research and Statistics in Canada
Mary Reid	Civic #4 / ILRC
Doug Robertson	Atlantic Canada Opportunities Agency
Mary Simpson	Community Health Promotion Network Atlantic
David Slade	Atlantic Canada Opportunities Agency
Gordon Slade	Director, International Co-operation
Wayne Smith	Manager, Federal Provincial Relations, HRDC
Dave Stuewe	Chief Executive Officer, Workers' Compensation Board of Nova Scotia
Sam Synard	President, Federation of Municipalities
Mona Wall	Executive Director, Newfoundland & Labrador Organization for Women Entrepreneurs
Marie White	Deputy Mayor, City of St. John's
Susan Wisking	Atlantic Canada Opportunities Agency
Cathy Wright	Human Development Council

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