CANADA'S SOCIAL INNOVATION ECOSYSTEM SHIFTS INTO HIGH GEAR

Canada's social innovation ecosystem, expanding from nonprofits and co-ops to government and business, is evolving from improving systems to enabling a paradigm shift in system change. Social innovators now shape Canada's ability to align across sectors to innovate transition to a carbon-free, socially just economy.

Tim Draimin / Stephen Huddart

Canada's strong history of social innovation (SI) highlights individual innovations. Think of indigenous social innovations like the Haudenosaunee's Great Law of Peace, an oral tradition reflecting democratic ideals that influence North America's representative governments. The Haudenosaunee (the 'Six Nations', comprising the Mohawk, Onondaga, Oneida, Cayuga and Tuscarora people) laid out 117 articles for collective wellbeing whose principles influenced concepts ranging from federalism to division of powers. Another example is the 1897 creation of the Women's Institute, now a worldwide federation credited with being a watershed catalyst for the 20th century women's movement. But 19th century challenges have given way to 21st century ones forcing the social innovation movement to accelerate ways in that it engages, re-focuses and shifts the mainstream innovation system. Canada is on the frontlines of pressing social and ecological issues, whether confronting indigenous reconciliation or climate change.

EXPANDING FINANCIAL SUPPORT FOR ENABLING ECOSYSTEM ASSETS

Recent decades saw significant foundations' (and to a lesser extent governments') investments in ecosystem assets, such as educational and capacity building programs, learning and advocacy networks, and finance infrastructure. Prominent supports include investments in social enterprises (now supported by the **Social Enterprise Council of Canada**), the dynamic social economy in Québec (led by the Chantier), and the rapidly expanding development of SI education and accelerator programs across numerous post-secondary institutions. There is an important on-going academic and public discussion of social innovation such as "are social innovations necessarily systemic in character?", "which

> **Today's challenge is enhancing the ecosystem focus beyond activities favouring individual innovators.**

initiatives are in scope: product, process, program, policy, project, or platform?" But the dominant definitional approach, like Toronto's successful co-working innovation hub developer **Centre for Social Innovation's** (CSI), is broad and flexible: "Social innovation refers to the creation, development, adoption and integration of new and renewed concepts, systems, and practices that put people and planet first."

Today's challenge is enhancing the ecosystem focus beyond activities favouring individual innovators. Next is building stronger systems change supports and cross-sector collaboration platforms, recognizing the critical role of public policy. 2019 is a milestone year for Canada's SI ecosystem starting this shift. The context was set in 2017-2018 with a range of new, transformational, institutional initiatives capable of engaging all sectors with a sustained backbone institutional support infrastructure. Part of this is the new focus on transition planning starting in several universities, such as the **Transition Accelerator** launched in 2019.

MATURING SI ECOSYSTEM EMBRACES SDGS AND NATIONAL MISSIONS

In addition, opportunities are emerging to dovetail these growing SI capabilities with a more prominent alignment of public resources around challenges targeting solutions. Canada's federal government is committed to implementing the United Nations Sustainable Development Goals (SDGs), 2030 Agenda. However, an SDG readiness review by Canada's

SKILLS AND CAPACITY
for equipping social purpose organizations with necessary knowledge and resources

FUNDING AND CAPITAL
to empower social purpose organizations (SPOs) to develop, test, adopt, and grow innovative solutions

MARKET ACCESS
for SPOs to find buyers

AN ENABLING POLICY & REGULATORY ENVIRONMENT
creating opportunities for SPOs to flourish

EVIDENCE & KNOWLEDGE SHARING
so that SPOs and funders collaborative on what works, improving their goods and services, and scaling their impact and evaluating their progress

AWARENESS & MOBILIZATION
to catalyze interest and build engaged support for the growth of social innovation and social finance approaches

Co-Creation Steering Group Themes – Social Innovation and Social Finance Strategy: The Social Innovation and Social Finance Strategy Co-Creation Steering Group (SISFS) systematically analysed the opportunity to improve the enabling context by identifying these **six interconnected areas** framing the 12 recommendations.

Auditor General noted in 2018 that Canada lags behind on building implementation platforms: "there…was no implementation plan with a system to measure, monitor, and report on progress nationally." The politics and governance of accountability systems remains a challenge. But there are three leading indicators of the ecosystem's developmental shift.

1ST: CO-CREATION PRODUCES A COMPREHENSIVE POLICY AGENDA

The single most important breakthrough has been the federal government's initiative, conducted by the **Department of Economic and Social Development Canada** (ESDC), to strike a joint government-civil society policy taskforce representative of national stakeholders that analyzed ecosystem barriers and opportunities. After 18 months' work, they produced a ground breaking and comprehensive set of 12 detailed policy recommendations framed by six big issue areas:

INCLUSIVE INNOVATION – NEW IDEAS AND NEW PARTNERSHIPS FOR STRONGER COMMUNITIES.

GOVERNMENT & PUBLIC SERVICE INFRASTRUCTURE
1 Anchor commitment and long-term policy action toward social innovation and social finance in Canada through federal framework legislation.
2 Establish and fund a permanent multi-sectoral Social Innovation Council.

CAPACITY BUILDING
3 Improve social purpose organizations' access to federal innovation, business development and skills training programs.
4 Establish a cross-sector Social Innovation Ecosystem Program to address gaps in early-stage support, capacity building and impact measurement.

FUNDING AND CAPITAL
5 Create a Social Finance Fund to accelerate the development of social finance ecosystems across Canada.
6 Ensure federal funding practices support and enable social innovation.

MARKET ACCESS
7 Incorporate social procurement guidelines, tools and training into Government's focus on a cohesive sustainable procurement plan.

POLICY & REGULATORY ENVIRONMENT
8 Address the legal and regulatory issues impeding charities and non-profits from engaging in social innovation, social finance, and social enterprise.
9 Develop regulatory innovation capacity using 'sandboxes' to explore and experiment with new models.

EVIDENCE & KNOWLEDGE SHARING
10 Establish a Social Innovation Evidence Development and Knowledge Sharing Initiative.

AWARENESS & MOBILIZATION
11 Coordinate a national social innovation and social finance awareness campaign.

Co-Creation Steering Group Recommendations – Social Innovation and Social Finance Strategy: The Steering Committee made **twelve recommendations** organized here by themes. The recommendations are designed to help unlock the ability of Canada's social purpose organizations to make progress toward the Sustainable Development Goals – the targets that Canada has committed to under the United Nation's 2030 Agenda for Sustainable Development.

An indication of the government's serious commitment to the SI agenda was the 2019 budget commitment of $805 million for a Social Finance Fund. It is an opportunity for all sectors to pattern new collaborative ways of infrastructure development. Canada's credit union sector has been a critical partner with Vancity playing a boundary spanning role.

2ND: CREATING AN ALL-SECTOR NATIONAL PLATFORM

The second most important development shaping Canada's social innovation potential was the establishment in 2018 of a national ecosystem support platform: **Social Innovation Canada**. Its strategy reflects the highly regionally specific character of Canadian ecosystem building. **SI Canada**, housed at CSI, is geared towards decentralized supports for regional initiatives (Atlantic Canada, Quebec, Ontario and Western Canada) enabled with a national knowledge and learning system. Importantly SI Canada is funded by philanthropy, government and the private sector.

3RD: PUBLIC SECTOR TRANSFORMATION SUPPORT SYSTEM

The third most significant development has been the role played by the federal government's central agency, the Privy Council Office, which has championed social innovation for a decade. In 2017, it created an innovation support platform,

called **Impact Canada**. Its role is to test and accelerate 'outcomes-based' funding approaches and help initiate a mission-driven approach to transforming government.

OTHER INDICATORS: THE GROWING NATIONAL ECOSYSTEM

The accelerating development of SI assets includes strengthening the learning and mutual support across the country. An emerging post-secondary movement is developing peer-learning and action circles accelerating 'social infrastructure': new society-serving assets and programs beyond research and education.

In June 2018 CONVERGE, hosted by **Simon Fraser University's Radius Lab**, was the first national gathering of social innovation labs, attended by over 130 people. Research identified at least 56 labs founded since 2008.

CORPORATE SOCIAL INNOVATION EMERGING

Corporate SI, where a corporate generates public value by innovating to tackle pressing social and environmental challenges as part of the core business strategy, is less developed but growing. Leading examples are Suncor (corporate Canada's most prominent ecosystem and

DESCRIPTION

H1 NOW:
The present system as business as usual

H2 TRANSFORMATION:
The introduction of new ideas and activities, which could help reform the present system or embed new elements for the possible future

H3 FUTURE:
The emergent possible future driven by a new culture of innovation making possible entirely new approaches and ways of doing things appropriately suited to the needs of the world
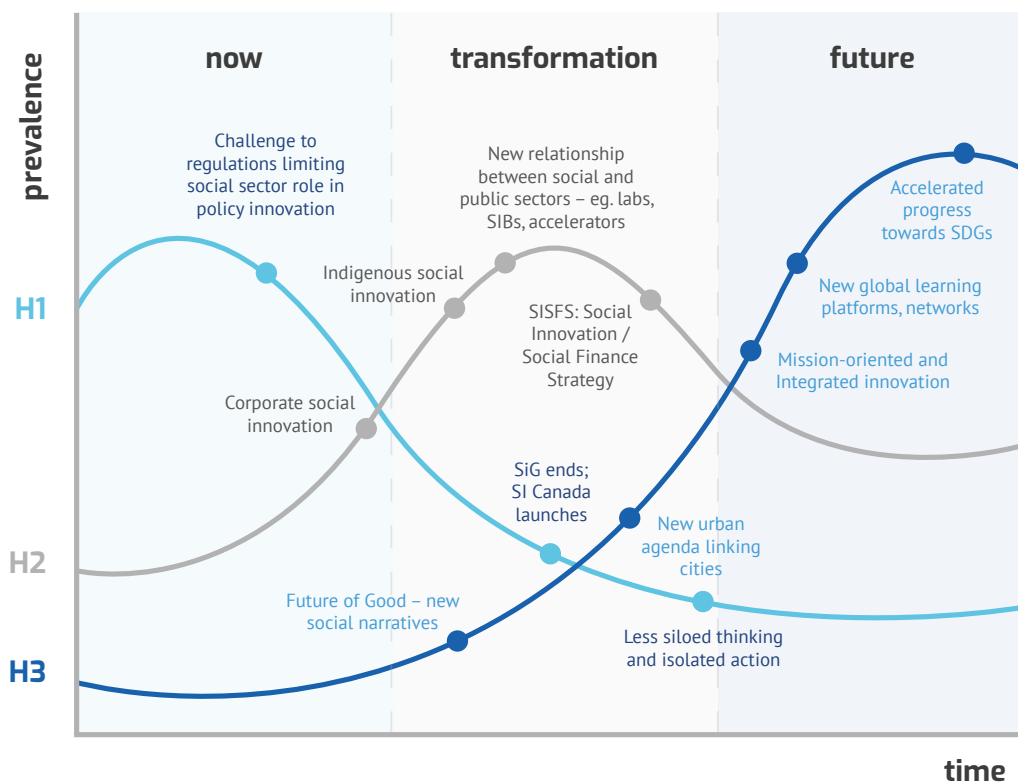
Three Horizons Chart – Canada's social innovation activities

capacity building supporter sponsoring **Banff Centre's SI Certificate Program, ABSI Connect**), Cisco Canada (initiator of **Connected North** that builds educational assets in partnership with northern aboriginal communities and southern Canada civil society) and Maple Leaf Foods (launching **Maple Leaf Centre for Action on Food Security**). **Global Canada**, engaging corporate leaders, is working in partnership with **MaRS** (Canada's leading innovation hub) to expand participation in collaborative social change.

CONCLUSION

Canada's generously financed mainstream innovation system, founded on STEM and business innovation, is evolving. Canadian social innovators are moving into the mainstream and developing a new innovation narrative underpinned by social and ecological values, based on evidence, and propelled by strong cross-sector innovation platforms and advocacy coalitions. After decades working in sectoral silos, the ambitious community is challenged to transition from individual identities to collaborative-action change systems. These challenges are addressed by the new public policies catalyzed by the ESDC co-creation group and enabled by SI Canada.

REFERENCES

[1] SISFS Co-Creation Steering Group (2018): Inclusive innovation – New ideas and new partnerships for stronger communities. Government of Canada. Internet: https://sisfs.ca/. [Last accessed 07.08.2019]

[2] Cahill, G./ Spitz, K. (2017): Social Innovation Generation: Fostering a Canadian Ecosystems Change. McConnell Family Foundation: Montreal. Internet: http://bit.ly/2Jk8kd4. [Last accessed 07.06.2019]

[3] Draimin, T. (2019): Wicked ecological and social challenges are forcing us to rethink innovation policy. In: Re$earch Money, 33 (1). Internet: http://bit.ly/2CGsEzA. [Last accessed 07.06.2019]

[4] Huddart, S. (2019): Canada's edge is in inclusive innovation. Institute for Innovation and Entrepreneurship: Brookfield. Internet: http://bit.ly/2E6dSDE. [Last accessed 07.06.2019]

[5] Radius (2018): Learnings from CONVERGE – Canadian Lab Practicioners Exchange. Simon Fraser University: Burnaby. Internet: http://bit.ly/30dZVx5. [Last accessed 07.06.2019]