

August 6, 2014

Mr. James Rajotte, M.P.
Chair
Standing Committee of Finance
House of Commons
Ottawa, ON
K1A 0A6

Dear Mr. Rajotte,

Economic Action Plan 2014 continued the Government's strong commitment to social finance, social enterprise and innovation. Social finance programs create a unique partnership between the private and public sectors to address specific needs in communities.

LIFT Philanthropy Partners would welcome an opportunity to testify before the House of Commons Finance Committee during its pre-budget consultation in Vancouver (or Ottawa). LIFT supports the Government's social finance agenda and participated in the National Call for Concepts of Social Finance where we were recognized as one of Canada's leaders in the final report, "Harnessing the Power of Social Finance".

Moving from accepting the possibilities of social finance to moving projects to an active stage is a challenge for all governments. LIFT's model leverages federal government funding with funding from other public and private sector investors. LIFT's management, expertise and extensive national pro-bono partner network to help the Social Purpose Organization (SPO) improve its operations and reach targeted communities to effect change.

In Economic Action Plan 2015, LIFT would encourage the government to announce it is building a national pipeline of investment ready projects in a variety of areas including skills and job training; support for the aboriginal communities, projects focused on literacy and education, and continuing the ongoing mandate of building healthy communities all across Canada.

The possibility and opportunity of social finance

Employment and Social Development Minister Jason Kenney speaking before the Social Enterprise World Forum 2013, held in Calgary in October, said:

For too long, governments have imposed solutions to Canada's social development challenges, while ignoring the innovative and successful approaches being developed in local communities and the private sector. Through social financing, the government can link civil society with those who want to invest in results-oriented projects in local communities to solve local problems. ([link](#))

Social finance presents a new opportunity for designing and developing government programming. The challenge for government officials is “how” to determine which non-profits or social purpose organizations would truly benefit from a social finance approach; and then to link this need back to the pool of organizations that are able to make an investment.

Ultimately, a social finance approach would see a diminishing need for involvement of the government as a funding body in the SPO as the capacity of that organization is strengthened, thereby making it more sustainable and effective at delivering measurable social impact.

LIFT's model provides a path to government decision-making and enables government to successfully build a pool of organizations that are ready for social finance investment.

LIFT's Model

In the fall as an outcome of the G8 Summit in London, the International Social Impact Investment Taskforce will issue a report on policy recommendations for governments to build a global network. LIFT is proud to be part of a “best practice” alliance with three other global venture philanthropy organizations ([Impetus Private Equity Foundation](#), UK; [Social Ventures](#), Australia; and [New Profit Inc.](#), USA), and supports Canada's efforts to build a global network. LIFT also cautions that a framework of coast to coast investment ready projects will help Canada show other jurisdictions how to match regional and community needs and government policy

priorities to a social finance framework that is able to deliver measured change.

The United Kingdom has recognized that in order for investment to be successful it must be directed to SPO's at a certain level of readiness. Building a pipeline of organizations able to accept and use social finance tools is essential to long term success. These Social Purpose Organizations can then be an example to others as they build capacity and results.

LIFT asks that the Government of Canada establish a \$12 million Social Innovation Fund at Employment and Skills Development Canada through which LIFT would build a pipeline of investment ready projects. LIFT would work across federal departments to identify SPOs that are ready for scaling and can take advantage of new financial instruments.

In determining the readiness of an SPO or non-profit organization to be placed in the pipeline for the social finance approach, LIFT believes the following elements are essential to success:

- A strategic growth plan to achieve desired outcomes.
- The potential for scaling.
- Demonstrated efficiencies and effectiveness.
- A sustainable model.
- Robust metrics and evaluation tools.
- A strong partner network who can provide expert support at a discounted or pro-bono rate.

Successful outcomes include the ability for government to measure success and have established and accountable programming. Positive change is possible and there can be a focus on communities, regions or groups of Canadians with unrealized growth potential. Ultimately, this leads to a positive return on Canadian taxpayer investment and in the long term a sustainable SPO will have been developed.

Priority Federal Areas

Employment and Social Development Canada	Skills development Training Literacy and education Canadians with disabilities	Youth Social enterprises Aboriginal Communities Communities and regions Canadians with disabilities
Health Canada PHAC	Healthy communities Healthy Canadians	Youth Families
Public Safety Canada	Youth crime	Youth
AANDC	Skills development	Communities Social enterprises
Citizenship and Immigration	Integration and Settlement	New Canadians

About LIFT

Headquartered in Vancouver and with a national mandate, LIFT increased the impact and sustainability of not-for-profits and social enterprises. LIFT selects organizations from across the country that addresses training, skills development and employment, and provides them with a valuable combination of LIFT's skills, expertise and resources to improve their operations and measurement practices.

LIFT would like to highlight two successful projects:

The Play Exchange

The Play Exchange is a high-profile online challenge to foster a national conversation and support innovative ideas to get Canadians to lead healthier active lifestyles. The challenge, which officially closed the entry period on June 18, 2014, was open to all Canadians and provides profile, resources and funding to support innovative ideas to get Canadians active. It is an unique partnership between the Public Health Agency of Canada (PHAC), Canadian Tire, CBC and LIFT.

The Play Exchange uses a mix of online and in-person engagement with Canadians, connecting a network of people and organizations active in

healthy living and chronic disease prevention to promote the challenge and engage their stakeholders to participate. A panel of five influential judges will select the top six finalists, who will receive mentoring from LIFT, valued at \$30,000 each, to develop a business plan to put their innovations into action. These six finalists will be featured in a CBC television show. Canadians will vote for their favourite innovation and the judges will select the ultimate winner. This top innovation will be eligible to receive up to \$1 million from the Government of Canada to implement their idea.

Women Building Futures

In December 2013, LIFT began work with Women Building Futures (WBF). This SPO aims to empower women to succeed in non-traditional careers in construction-related trades and heavy equipment operation. Based in Alberta, WBF supports women through recruitment, assessment, training, coaching, job placement and apprenticeship support.

With a consistent 90% graduate employment rate and an average 127% income increase upon completion, WBF increases economic prosperity for women and labour stability for a booming industry. WBF's five-year goal is to increase the number of women entering the trades by 300%.

As part of the plans to grow, WBF developed a new strategic plan with a focus on increased penetration in Alberta, specifically Edmonton, Northeast Alberta, Northwest Alberta and possibly Calgary, and across Canada through the introduction of online programming that will help WBF open its doors to 'any woman, anywhere.' Once WBF has scaled in Alberta, they will have the potential and ability to move into other provinces and territories.

LIFT will support the achievement of WBF's strategic goals by:

- Providing assistance in building a sustainable business model.
- Identifying alternative sources of funding.
- Supporting the internal and external communications to support the change management process.
- Ensuring adequate capacity is in place to enhance WBF's overall sustainability, thereby enabling scalability of the organization.

LIFT supports social purpose organizations to improve their operations, accountability and measurement practices, so they can deliver meaningful, lasting impact in Canada. To date, LIFT has achieved great success through this model, and would welcome the opportunity to continue to grow and develop in the sector in partnership with government. LIFT looks forward to the opportunity to testify.

Thank you

A handwritten signature in black ink, appearing to be 'Bruce Dewar', with a stylized, looping flourish.

Bruce Dewar
CEO
LIFT Philanthropy Partners

Cc: Members of the House of Commons Standing Committee on Finance