



Social Enterprises and the Ontario Disability Support Program Case Study:

Jarrett Value 2 Cooperative (Sudbury)

Jarrett Value 2 Cooperative operated as a quality second hand retail store in downtown Sudbury. The store was cooperatively owned and run by individuals with developmental disabilities creating training and employment experience for themselves while providing a valuable service to their community.

In 2006 Algoma University, with funding provided by the Ontario Trillium Foundation through the Canadian CED Network (CCEDNet), undertook a research initiative designed to identify areas for policy improvement related to social enterprises which employ persons in receipt of the Ontario Disability Support Program (ODSP). This is one of four case studies developed as an outcome of this initiative. To view the final report and policy recommendations developed from the case studies visit: http://ccednet-rcdec.ca/files/social_enterprises_and_ODSP.pdf

Context

Like many social enterprises, the Jarrett Value 2 Cooperative grew out of an existing social service agency, Sudbury Developmental Services (SDS). SDS is a transfer payment agency for the Ministry of Community and Social Services (MCSS) which began in the early 1950s with several parents of developmentally disabled children who were concerned about their education. The parents came together and built a school, which over the years evolved into an association providing day, respite and residential services for developmentally disabled individuals. These services offer life skills and vocational training to individuals who are often marginalized. SDS began providing job skills and readiness training, initially through the Jarrett Resource Centre (JRC) in the 1950s, and more recently through the Jarrett Value Centre (JVC), both of which began as 'sheltered workshops'.

History

In 2000, five JVC clients who showed great potential for business came together with the assistance and support of SDS to become the owners of a cooperative retail store. Jarrett Value 2 (JV2) was located in downtown Sudbury providing quality second hand clothing to the community. Any high-end clothing that was received by the JVC was collected and given to JV2 at no cost. Receiving quality donations from the community helped sustain JV2 providing a product for those who shop secondhand to purchase. Seasonal fluctuations of clothing exist, where an increase in community contributions are received during the Spring and Fall. Even though the customer demand for recycled goods is stable, there is an increased amount of competition from other businesses (Paonessa, 2007).



After the business's incorporation it was successfully run for 6 years before the owners decided to close down, due to a number of factors including the pending retirement of some of the cooperative's owners. After the business was dissolved, a few of the former JV2 owners returned to working with the JVC. JVC

opened up a small location in the same mall and named it Jarrett Value 2 Boutique. The operations are similar to that of the cooperative, but the ownership no longer remains in the hands of the clients.

Organizational Structure

During the development and start-up of the business the SDS and JVC provided a great deal of direction and support; however over time the support lessened, the 5 owners became more independent, and eventually JV2's day to day operations were run similarly to other small businesses (Paonessa, 2007). Mary-Elizabeth Paonessa, Business Manager, maintained a presence at the weekly staff meetings to provide a connection to and support from JVC, and the owners continued to participate in the Person Centred Planning (PCP) process. The PCP process assesses developmentally disabled individuals' cognitive and physical potential in order to meet their identified goals, provide appropriate services and accommodations to them. All participants in SDS services and programs complete the PCP with input from the individual and their families.

JV2 has been highlighted in the local newspaper, the Sudbury Star (Haddow, 2000; Huttala, 2000), as a project that allows for increased independence and a different avenue of employment for the developmentally disabled person. Aside from articles in the newspaper, the primary means of advertising was through word of mouth and a strong reputation in the community. SDS is also a member of the Chamber of Commerce, and had a link on their website for JV2 while it was operational.

“When you give a human being a chance at something, it [will really] surprise you how they will strive to get it done. Give them an opportunity, a foot in the door and they will wow you”.

Mila Wong
Sudbury Developmental Services

The profits that JV2 made provided an increased income for the owners. However, since they were still receiving disability assistance it wasn't much of an increase from JVC. Not only did this provide a source of employment and income for the owners, but also a social opportunity. On occasion the owners would spend time with one another by going to watch a movie or go out for something to eat (Werry, 2007).

Funding to support the vocational component and wages comes from two sources. MCSS provides 55% of the funding and the other 45% is generated through revenue from the businesses. Revenues are shared between JRC and JVC in order to compensate for any losses suffered by any one particular business. For example, the recycling business is a very dependable source of income with a constant supply of goods from the community, which could assist the industrial arm if material prices rise (Wong, 2007).

If the SDS Program Planning Team, with client, staff and management representation, develop an idea around an innovative employment initiative, the Board of Directors is always open to input and new ideas that they may wish to pursue. Currently, however, SDS priorities are focused on addressing the needs of the aging population, and new social enterprise development is not expected in the near future.

Activities

For approximately 50 years, JRC has been providing products such as pallets and blasting plugs to industries like INCO and Falconbridge Ltd., while JVC is a recycling business that has been collecting community donations since 1985. Together JRC and JVC provide training for 100 adults. All the developmentally disabled trainees are recipients of Ontario Disability Support Program (ODSP) benefits. In addition to their ODSP income, the JVC clients receive a training allowance of between \$.50 and \$1.60 for every hour worked depending on responsibilities and abilities. Receiving this money augments overall income for clients even with the ODSP deductions.

“CEDTAP has assisted over 400 CED agencies in support of leading-edge, community development initiatives to create new, sustainable economic development solutions in disadvantaged communities throughout Canada”.

(CEDTAP, n.d.)

“CCA provides leadership to promote, develop, and unite co-operatives and credit unions for the benefit of people in Canada and around the world”.

(CCA, n.d.)

Due to their experience at JVC, the owners had been trained in some aspects of retail and customer service, however additional training related to cooperative principles and business management, such as financial management and bank deposits, was required. Some of the day to day responsibilities described by Bonnie Werry, former owner of JV2, were to hang clothing, provide change rooms for customers and operate the cash register. The Community Economic Development Technical Assistance Program (CEDTAP) and the Canadian Cooperative Association (CCA) provided the additional training and support. Mila Wong, the Executive Director of SDS, commented on how remarkable it was that the training was completed so quickly, “when you give a human being a chance at something it [will really] surprise you how they will strive to get it done. Give them an opportunity, a foot in the door and they will wow you”.

Outcomes

Integration into the community is one way in which paid training and employment can benefit developmentally disabled individuals particularly by raising the individuals' self-esteem (Paonessa, 2007). Social opportunities like going to the theatre and physical activities allow these individuals to remain "healthy, active and happy" (Wong, 2007). This is not only a benefit to the individuals involved but will also result in a reduced use and subsequent costs of the health care system (Wong, 2007).

"On occasion the owners would spend time with one another by going to watch a movie or go out for something to eat." Bonnie Werry Former JV2 Owner

A recent ODSP change that Mila Wong identified as positive is Rapid Reinstatement. Rapid Reinstatement allows recipients who discontinue ODSP for employment or paid training, to bypass the Disability Adjudication Process if they need to return to income support (Government of Ontario, 2006). Wong described the

adjudication and reporting processes as "onerous", particularly for those with developmental disabilities. Some ODSP recipients may not understand the content of letters they are sent or may have difficulty with automated telephone systems (Paonessa, 2007). Rapid Reinstatement may reduce some of the difficulties related to the ODSP process.

Barriers and Challenges

Challenges that the JV2 cooperative experienced and which ultimately led to their closure are:

- Overhead Costs – the lease at their final location needed to be renewed, and the rental cost was being increased. This and other operating costs were becoming a heavy pressure on running the business
- Aging – as the owners became older it was more difficult to keep working full-time hours and fulfilling a demanding workload.
- Group Dynamics – because some of the owners decided to leave, the dynamic of the group was going to change, whether the remaining owners continued on their own or whether they decided to bring in new people. Paonessa (2007) stated that "it was important for the group to get along together because they were so independent"
- Funding – the cooperative was successful at obtaining funding for training related to business management. However, other costs associated with development, transition, and monitoring was (and is) difficult to obtain and maintain.



Even though these individuals faced many challenges and a great deal of stress they maintained their business for six years after incorporation.

Continued support is required when clients become part of a community business. However, the initial support can be beneficial and eventually minimized. Without continued support that individual may be unsuccessful in maintaining their position (Wong, 2007). Support for other issues, such as the needs of the aging population can be addressed through partnerships. SDS has partnered with the Ontario Partners on Aging for the Developmentally Disabled (OPADD) whose mission is to “ensure that the general and special needs of persons with a developmental disability who are aging, are identified and addressed effectively to ensure quality of life” (OPADD, 2007). Innovative policy needs to be developed around the aging population and address the needs of developmentally disabled individuals (Wong, 2007).

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