



Fast

FACTS

CANADIAN CENTRE FOR POLICY ALTERNATIVES – MANITOBA

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Creating opportunities with green jobs: the story of BUILD and BEEP

Social enterprises have emerged as viable business models that create a blended return on investment as a result of the multiple economic, social, and environmental benefits they bring to local communities.

Building Urban Industries for Local Development (BUILD) and the Brandon Energy Efficiency Program (BEEP) operate as social enterprises in Manitoba. They perform energy efficiency retrofits on low-income homes while providing training and jobs for local people with barriers to employment.

In a new CCPA-MB report, Kirsten Bernas and Blair Hamilton begin to document the quantitative and qualitative value associated with the multiple benefits produced by BUILD and BEEP.

The report reveals that the annual savings associated with the energy and water efficiency upgrades performed by BUILD and BEEP in a typical operating year total just over \$359,300 and \$116,900 respectively. With these annual savings, the initial investment in BUILD and BEEP's retrofit activities is expected to be paid back within four to five years. Retrofits include insulation upgrades and the installation of water savings devices such as low-flush toilets and low-flow showerheads and faucet aerators. In addition to lowering utility bills for low-income families, these retrofits reduce energy consumption and lower greenhouse gas emissions.

There are other benefits produced by BUILD and BEEP which are generated by the employment development model these social enterprises have adopted. BUILD and BEEP hire and train local individuals who face multi-fac-

eted and inter-connected barriers related to poverty and social exclusion. Trainees are primarily male, Aboriginal individuals living in the inner-city. Few have received a grade twelve diploma or driver's license. Many lack a stable housing situation and home support system. Most have had contact with the justice system and have little to no experience in the formal labour market.

Trainees are provided with access to a comprehensive and integrated package of resources and supports to develop the skills – hard, soft and life-skills that enable them to address their barriers and become productive people and employees. Resources and supports include access to a driver's licensing program, financial management courses, parenting courses, and training in basic literacy and numeracy. Trainees are also provided with access to counselling services to address personal issues as well as cultural reclamation programming to help reverse the damaging effects of colonization which can severely limit success in the workplace.

This holistic approach to employment development is critical to helping BUILD and BEEP trainees successfully prepare for further education/training or sustainable employment. Without it, many trainees would be at risk of falling back into unemployment, poverty, and destructive lifestyle patterns. More than 90% of BUILD trainees and 85% of BEEP trainees who complete the six month training program move into formal employment or further education/training.

there is an alternative.

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BUILD and BEEP's employment development model generates a significant return on investment given the income and sales taxes paid by newly employed individuals, as well as the savings from reduced Employment and Income Assistance payments and criminal justice system expenditures. With these additional revenues and lowered expenses, the investment per BUILD and BEEP graduate is expected to be paid back within two to three years, assuming they remain employed upon graduating.

The report also examines the economic multiplier effect of investing in energy efficiency. The multiplier is a mathematical calculation that quantifies the overall economic benefits of a given investment. Money spent in a local economy spurs a chain reaction as suppliers make purchases, labourers consume goods, and various taxes are levied. When we compare the multipliers of an investment decision to alternative investments or a decision not to invest we can determine where the greatest "bang for the buck" lies.

The multiplier effect from investment in low-income energy efficiency through BUILD and BEEP was estimated based on a 2008 US study which used a full-cost accounting approach to calculate the multiplier effect of programs that promoted energy efficiency and financial assistance for utility costs. After applying the US data to the experience of BUILD and BEEP and taking into account the major factors that would cause the multiplier effect to be greater or smaller in Manitoba, the effect was estimated to be approximately 25.5 times the level of initial investment. This effect is more than twice as great as the US study's reported multiplier effect from investment in a manufacturing plant.

The report identifies key criteria that would need to be met to expand BUILD and BEEP's operations outside of their current geographic area of focus and to replicate their model in another community. Given the demonstrated value and economic, social, and environmental benefits generated by BUILD and BEEP as outlined above, there is significant reason to explore opportunities to scale up their operations and replicate the model these social enterprises employ.

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Download a copy of the complete report from the CCPA website:

www.policyalternatives.ca/publications/reports/creating-opportunities-green-jobs

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