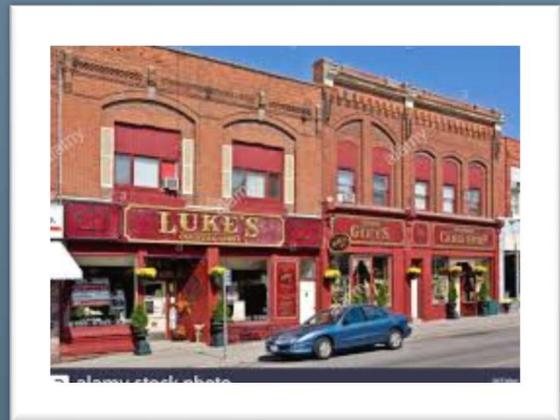




REGENERATING RURAL PLACES OF FAITH

The Halo Effect in Small Town and Rural Churches



Sphaera Research

2016

Executive Summary

It is estimated, that over the next 5 to 10 years, 30% of Canada's Places of Worship will close and or be demolished. This loss will be particularly difficult for small and rural communities where places of faith are critical community anchors, symbols of collective heritage, gathering places and venues that house a variety of community services.

Unfortunately, too often congregations in rural and small communities are ill-equipped to address this challenge, resulting in fire sales and closures that undermine community cohesion and increase social isolation of small and rural community members.

In light of this challenge, Faith and the Common Good and the National Trust for Canada have partnered to explore, develop and evaluate tools that will be used to help rural and small town community groups to work together to make the most of these community assets to help to help vitalize and in some cases re-purpose endangered rural places of faith on behalf of the communities they serve.

One such potential tool is the Halo Project. Developed in Philadelphia, researchers explored almost 50 different factors in 12 congregations, in order to test a new quantitative approach to how congregations impact local economies. The study explored seven broad areas including: 1) Open Space, 2) Direct Spending, 3) Educational Programs, 4) Magnet Effect, 5) Individual Impact, 6) Community Development, and 7) Social Capital and Care. Their findings suggest that these 12 congregations had a cumulative annual economic impact (Halo Impact) of almost \$52 million on their surrounding communities.¹ Applied more recently in the City of Toronto, with modest changes in methodology to reflect differences between Canadian and American social and religious landscapes, the study considered 10 local congregations of varying traditions, revealing a cumulative Halo Impact of approximately \$45 million.²

In essence, these two studies ask: if a faith community ceased to exist what would it cost the surrounding community to replace the services and programs that congregation provides to its community? Our belief is that rural congregations have similar types of economic impact on their communities. Understanding this impact will, in turn, help rural and small-town congregations, along with their surrounding communities, plan for sustainable futures.

To consider this question, we explored the economic impact of four rural and small- town congregations on their surrounding communities, applying the same methodology used in Toronto. They include: St. James Centennial United Church, Parry Sound, ON; Huron Chapel, Auburn, ON; St. Andrew's United Church, Hallville,

¹ Ram A. Cnaan , Tuomi Forrest , Joseph Carlsmith & Kelsey Karsh (2013): "If you do not count it, it does not count: a pilot study of valuing urban congregations" , Journal of Management, Spirituality & Religion, DOI:10.1080/14766086.2012.758046 Available from: <http://dx.doi.org/10.1080/14766086.2012.758046>

² Wood Daly, M. (2016), "Valuing Toronto's Faith Congregations" (Cardus: Hamilton) Found in: www.haloproject.ca

ON; and St. Paul's Anglican Church, Southampton, ON. After analyzing the information provided by each of the congregations, collected data revealed a cumulative annual Halo Impact of \$3,782,920.81 with a Median Index of \$730,388.92.

Acknowledgements

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We are also grateful to the people of St. James United Church (Parry Sound, ON), St. Andrew's United Church (South Mountain, ON), Huron Chapel (Auburn, ON) and St. Paul's Anglican Church (Southampton, ON) for their history in and ministry to the communities they have served.

Socio-Economic Impact and Communities of Faith

Several studies in recent years, both in both Canada and the United States, have considered the contributions that churches, mosques, temples, synagogues and other types of religious congregations make to the cultural, spiritual and social lives of their surrounding neighbourhoods.^{3 4 5} Faith based organizations help people to explore and cultivate deeply held, centuries-old beliefs; to participate in rituals of meaning, to find comfort in their times of deep pain and sorrow; and to foster relationship in community. Communities of faith and places of worship are where people often gather to find answers to life's biggest questions and to explore mysteries like: Why are we here? Where do I belong? And what is the meaning of life? Even for people who would not describe themselves as people of faith, these communities act as incubators for commonly held social values. Similar to the way the arts are known to positively influence communities, the impact of local worshipping communities on the culture that surrounds them is felt and is of benefit to both participants and those who are not directly involved. Communities of Faith are good for the common good.

In 2006, Imagine Canada published: *“Understanding the Capacity of Religious Organizations: A Synthesis of Findings from the National Survey of Nonprofit and Voluntary Organizations and the National Survey of Giving, Volunteering and Participating.”*⁶ It's authors assert that: “religious organizations are well-established institutions with stable revenues. The key strengths of religious organizations appear to be their local community focus, and the strength that they draw from dedicated donors, volunteers and staff.”

Despite this qualitative acknowledgement, few studies have considered the economic impact these congregations provide directly to their surrounding communities. The lack of “hard numbers”, and the quantitative method needed to produce them, often put congregations and their larger religious organizations at a disadvantage when pressed to “prove” their value in a wider context. At the very least, they lack a common language or “currency” when speaking of value with those who are not a part of the congregations themselves. In situations like these, a tool that helps to provide a quantitative measurement of the contribution congregations make to their local economies would be of great help.

Congregations, and the neighbourhoods in which they find themselves; however, are not the only groups who stand to benefit from such a tool. Increasing revenue, cost cutting and increasing service efficiency sound as a hallmark of government at all levels.. For example, the City of Toronto 2015 Auditor General's report highlights the role careful review of City Services can play; both in cost savings and efficiency of service provision, emphasizing that for every \$1 invested in audit resources, the return in relation to

³ Bearman, L. and S. Lefebvre (eds), (2014). *“Religion in the Public Sphere: Canadian Case Studies”*. University of Toronto Press: Toronto

⁴ Vidal, Avis C., (2001), “Faith Based Organizations in Community Development”, (U.S. Department of Housing and Community Development.” To link to this article <http://www.huduser.org/portal/publications/faithbased.pdf>

⁵ Friesen, Milton and Cheryl Clieff (2014). *“Strengthening Vital Signs Through Urban Religious Communities – Calgary City Soul”*. Cardus: Hamilton. Available from: <https://www.cardus.ca/research/socialcities/calgary/>

⁶ Brownlee, B., Gumulka, G., Barr, C., and D. Lasby, (2006). *“Understanding the Capacity of Religious Organizations: A Synthesis of Findings from the National Survey of Nonprofit and Voluntary Organizations and the National Survey of Giving, Volunteering and Participating.”* Imagine Canada: Ottawa Available from: http://www.imaginecanada.ca/sites/default/files/www/en/library/misc/understanding_capacity_religious_orgs_report.pdf

cost savings is about \$11.50.”⁷ Identifying a tool that can articulate the previously hidden economic contributions of local congregations could significantly strengthen the capacity of Community Planners, elected official, and community advocates to further strengthen investment, reduce duplication of services and initiate creative partnerships with communities of faith to better serve the needs of all community residents; whether in urban or rural settings.

Valuation in Local Congregations

The development of a quantitative tool is a daunting challenge.⁸ Several studies in related sectors report on values for “soft” public goods. One example would be teaching children pro-social values. Glisson⁹ and Schorr¹⁰ have noted that “soft” public goods produce results that are indeterminate, variable and difficult to measure. Moreover, when these contributions can be quantified, translating the numbers into monetary values can be difficult. Many congregational contributions are also difficult to separate from other contributors and are especially difficult to evaluate over time. To overcome these limitations the Philadelphia study applied a series of concepts and technologies in the established field of valuation.¹¹

The purpose of valuation is to assess the monetary value of goods that the market does not price. Things like: happiness, well-being, rehabilitation, responsible parenting and neighbourhood pride. Valuation can also be used to estimate the costs of specific social problems and the quantitative impact of non-profit organizations. It follows that the more complex the phenomenon being valued, the more difficult the valuation. For this reason, researchers have often limited their attempts to value congregations to one type of methodology or one type of contribution.

For example, in 2001 Cnaan and Boddie assessed congregational replacement value or what it would cost private/public organizations to provide the same social services that congregations offer.¹² Chaves and Miller¹³, by contrast, focussed their analysis on the contribution of a congregational budget to the local economy. While these attempts were helpful, they proved to be too narrow in scope.¹⁴

In 2007, *Partners for Sacred Places* convened a small group of researchers from academia and the non-profit sector to develop a broader valuation study that would include several factors not included in the previous studies. For example, they explored contributions that included: green space, building

⁷ City of Toronto, (2015), “Auditor General’s Office – 2015 Operating Budget” Available from: [Auditor General’s Office – 2015 Operating Budget](#)

⁸ Cnaan et al (2013)

⁹ Glisson, C., (2000) Organizational culture and climate. In: R. Patti, ed. *The handbook of social welfare management*. Thousand Oaks, CA: Sage, 195–218.

¹⁰ Schorr, L.B., (1997). *Common purpose: strengthening families and neighborhoods to rebuild America*. New York, NY: Anchor Books.

¹¹ Cnaan, R.A., and C. Kang (2011). “Towards Valuation in Social Work and Social Services”. *Research on Social Work Practice* 21(4):388-396

¹² Cnaan, R.A. and Boddie, S.C., (2001). Philadelphia census of congregations and their involvement in social service delivery. *Social Service Review*, 75 (4), 559–580

¹³ Chaves, M. and Miller, S.L., (1999). *Financing American religion*. Walnut Creek, CA: Altamira.

¹⁴ Cnaan et al (2013)

projects, visitors to the congregation, impact on public safety, housing, support for local business, budgets, partnerships with community development organizations and the incubation of new business and non-profits.

These discussions eventually gave rise to a framework that explored 49 valuation variables, grouped in 7 broad categories:

- | | |
|--------------------|----------------------------|
| 1. Open Space | 5. Individual Impacts |
| 2. Direct Spending | 6. Community Development |
| 3. Education | 7. Social Capital and Care |
| 4. Magnet Effect | |

When applied in 12 congregations, the methodology revealed an accumulated “halo effect” or economic contribution of \$51,850,178. The estimate translates into a median value of approximately \$4.2 million per congregation. Even the smallest of the congregations studied; a Presbyterian Church with approximately 150 members, and an annual operating budget of \$260,000, was estimated to have an annual “halo effect” of \$1.5 million.

These numbers, as impressive as they are, tell us little about the potential economic impact of congregations in the Canadian context. Our own recent study in Toronto¹⁵, with modest modifications to methodology, revealed a Halo Index of approximately \$45 million for 10 congregations.

Halo Methodology

For this study, we applied the same methodology used in our initial phase Toronto study. Information was gathered through a variety of means including interviews with a range of congregational leaders including: senior clergy, administrators and senior lay leaders. Orientation sessions were held with key leaders, with program templates being distributed to leaders of individual programs offered by the congregations. Two questionnaires were used in each congregation. The Congregational Template was designed to gather information on broad aspects of congregational identity and presence in the community. The Program Template explores more specifically the economic impact or relationship of each program with the surrounding neighbourhood. In some cases, municipal records and locally published materials were also used to supplement data collection

In order to ascribe financial value to the collected data we relied on values identified through various means and services: most often published research in relevant service sectors. For example: Volunteer Canada ascribes a recognized value of \$24 per hour for volunteer service.¹⁶ In some cases we were able to attribute actual dollars spent. The conceptual matrix is identified in Appendix A.

¹⁵ Wood Daly, M. (2016)

¹⁶ Volunteer Canada. Found at: <https://volunteer.ca/value>

Limitations

This paper presents a small case study with several limitations that should be taken into consideration.

First, we acknowledge that research that relies on participants to “self-report” will always be open to the possibility of critique regarding the “subjective” vs. “objective” nature of the reporting.¹⁷ Self-reporting opens the study up to the possibility of over-reporting or exaggerated expressions of impact. In order to address this, orientation sessions with all participants stressed the importance of maintaining as much objectivity as possible; encouraging them to report only on impacts they had direct and/or tangible evidence of. To compensate for those instances where reporting may have been inflated, we also elected to choose the most conservative valuations available.

Secondly, four congregations represent a relatively small sample size (N=4). Findings here would suggest that the economic impact or “halo effect” of rural and small-town congregations is comparable to urban churches. A larger, companion study is suggested to confirm these findings.

By nature, capital campaigns often extend over a period of several years; but we were attempting to rely on reporting over the last fiscal year. As a result, where a congregation falls within their campaign can significantly influence or skew the capital amounts reported.

When a congregation failed to provide us with an estimate – or a response that did not accurately reflect our own observations – we assigned a value of zero, even if the real value was higher.

As noted, elsewhere, we did not measure negative impacts resulting from congregational presence in the community. Cnaan et al (2013) cite Sunday parking shortages, as just one example.

In the Toronto study, we calculated the economic value of Green Space based on cost to City based on proposed Storm Water Management Fees. These fees are not applied in any of the four communities included in this study. And so, while there is still clear economic benefit to the Green Space offered by these congregational properties to their communities, we did not value that as a part of this study.

Conservative Approach to Values

Typically, when researchers attempt to value public goods, they cannot use actual market prices. They need to rely on what are known as “shadow prices”. These values are based on certain assumptions which must be clearly stated (see Appendix A). These prices can be wide-ranging and the researcher

¹⁷ Bernard, H.R., Killworth, P., and D. Kronenfeld (1984). “Informant Accuracy: The Validity of Retrospective Data”. Annual Review of Anthropology 13:495-517

must be clear in stating why they have chosen to adopt certain assumptions. As a result, in each case, we chose the most conservative estimate possible.

For example, while open green space is clearly a valuable “halo” contributor, we chose not to include the economic impact trees might have (as in the Philadelphia study). If a member, just through their involvement in the congregation, decided to improve his/her marital relations or end their use of narcotics or alcohol, but did not do so through the direct involvement of clergy or another intended representative, we did not include it. Finally, when any participating congregation had difficulty helping us articulate numbers impacted, we entered zero, even if there may still have been significant impact.

Moreover, the values presented in our findings do not take into account secondary impacts or financial benefits that arise as a direct result of congregational support, service or involvement. Take for example the circumstance where a congregation sponsors a refugee family to settle in Canada. Clearly there is attributable value in this form of support. But what if the mother of this Syrian family, who in her second or third year in Canada, becomes the secretary treasurer of a Syrian women’s cultural group that is working to establish a business operated by a small group of women? There is clearly a direct line of impact, the economic impact of which is beyond the scope of this study.

Participating Congregations

This study explores the economic impact of four rural and small-town congregations on their surrounding communities. They include: St. James Centennial United Church, Parry Sound, ON; Huron Chapel, Auburn, ON; St. Andrew’s United Church, Hallville, ON; and St. Paul’s Anglican Church, Southampton, ON.



St. James Centennial United Church – is located in the Central Ontario town of Parry Sound. Situated on the eastern shore of Georgian Bay, Parry Sound is in the heart of Ontario’s “cottage country”. The offshore “30,000 Islands” represents the world’s largest freshwater archipelago, and in 2004 was named by UNESCO as a World Biosphere Reserve. Parry Sound serves as the local centre of retail and commerce, is rich in arts and cultural heritage and provides ready access to hiking and other vacation activities. In 2011, the population of Parry Sound was listed as 6,191, representing a 6.4% increase over the previous census

period. The largest visible cultural minority in the region is Aboriginal, representing 5% of the total population.¹⁸

The congregation of St. James Centennial is situated at 24 Mary Street, in the downtown area of Parry Sound. Established in 1863, the current building was built in 1927, with major additions to the building being made in 1967. The total number of active members is 213. The congregation lists 47 adherents and records an average weekly attendance of 50 adults and 2 children. 80% of the congregation lives within 3 km of the church. The predominant cultural make up of both the community and congregation is Caucasian/European. They employ 5 part-time staff and annual expenditures are listed as \$189,863.



Huron Chapel - is an Evangelical Missionary Congregation located in the small community of Auburn ON., located about an hour and 15 minutes drive south of Saugeen Shores, and about 15 minutes east of the larger town of Goderich (pop. 7,521)¹⁹ As a major tourist centre, Goderich is also an industrial centre as a major producer of salt. Huron Chapel was established in 1978, built its current facility in 2003 and recently added a

portable building for youth programming. The total number of active members is 94. The average weekly attendance is 200 adults and 50 children. In contrast to the congregations considered so far: only 10% of the congregation live within a 3 km radius. 60% travel more than 10 km to attend worship and take part in other programming. The congregation employs 1 full-time staff member and 4 part-time employees. The congregation's annual expenditures are \$363,658.

¹⁸ Statistics Canada (2011), Census Profile. Found at: <http://www12.statcan.gc.ca/census-recensement/2011/dp-pd/prof/details/page.cfm?Lang=E&Geo1=CSD&Code1=3549032&Geo2=CD&Code2=3549&Data=Count&SearchText=parry%20sound&SearchType=Begins&SearchPR=01&B1=All&Custom=&TABID=1>

¹⁹ Statistics Canada (2011) Census. Found at: <http://www12.statcan.ca/census-recensement/2011/dp-pd/prof/details/page.cfm?Lang=E&Geo1=CSD&Code1=3549028&Geo2=CD&Code2=3549&Data=Count&SearchText=Goderich&SearchType=Begins&SearchPR=01&B1=All&Custom=&TABID=1>



St. Andrew's United Church – is located in the Eastern Ontario farming community of Hallville, halfway between the City of Ottawa and the town of Prescott which is situated at the U.S. border. The closest community of significant size is Kemptville, with a population of 3,532.²⁰ The predominant cultural make-up of the wider community is Caucasian/European. The congregation of St. Andrew's United Church was established in 1834. The current building was constructed in 1880 with an addition being made to the building in 2003. The total number of active members is 93 along with 43 adherents. The average weekly attendance is listed as 50-75 with approximately 15 children attending each week. 60% of the attenders live within a 3 km radius of the congregation, while

another 20% travel more than 10 km. The congregation employs 1 full-time clergy and 2 part-time employees. The annual expenditures for 2015 were \$37,814.



St. Paul's Anglican Church – is located in Southampton, Ontario, in a popular vacation region of Southwestern, Ontario known as Saugeen Shores. With a population of 3,083, the town is situated close to the town of Port Elgin, on the eastern shore of Lake Huron. Tourism and Bruce Generating Station serve as the largest economic drivers in the community. The congregation of St. Paul's Anglican is situated at 248 High Street in Southampton. Established in 1859, the current building was erected in 1887, with additions to the building in 1905 and 2014. The total number of active members is 120 with an average weekly attendance of 68 adults and 3 children. 90% of the congregation lives within a 3km radius of the church

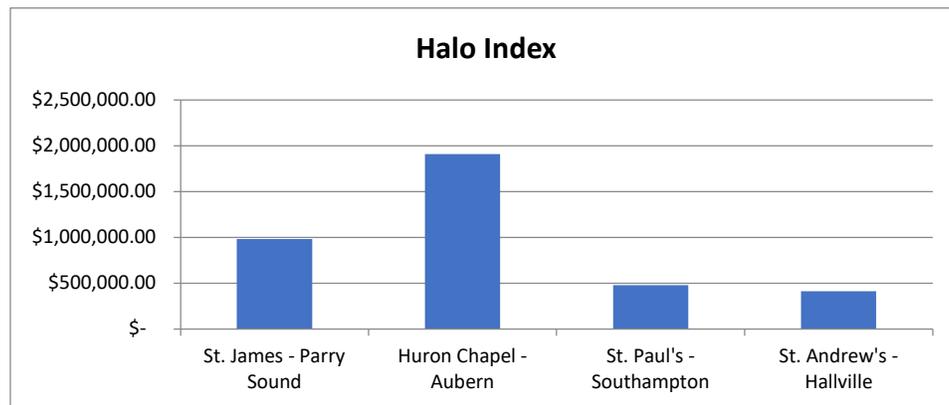
building; the predominant cultural make-up is listed as Caucasian/European. The congregation employs 3 part-time staff and has annual expenditures of \$83,638.

²⁰ Statistics Canada (2012), *2011 Census*. Found at: <http://www12.statcan.gc.ca/census-recensement/2011/dp-pd/prof/details/page.cfm?Lang=E&Geo1=POPC&Code1=0405&Geo2=PR&Code2=01&Data=Count&SearchType=Begins&SearchPR=01&B1=All>

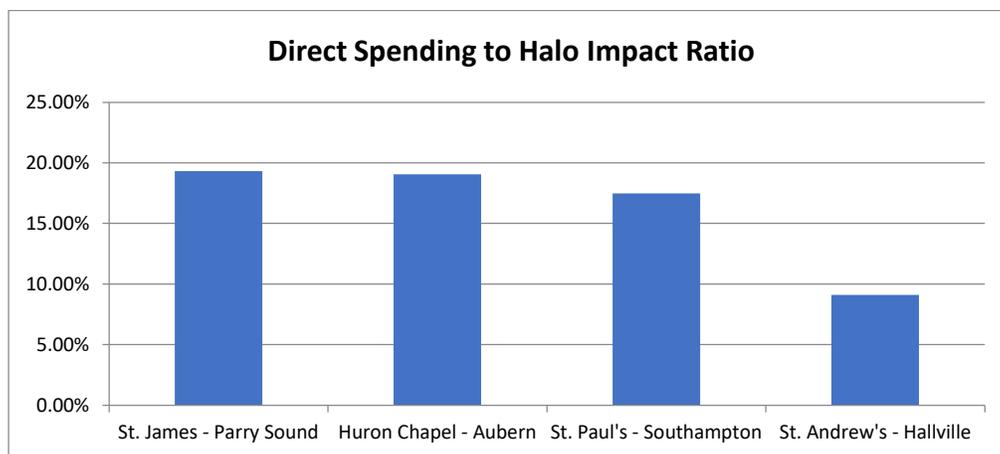
Halo Findings

When assessed against our Value Matrix (Appendix A), data for the 4 participating congregations revealed an estimated cumulative annual economic impact or Halo Index of \$3,782,921 with a median value of \$730,389. This compares to a median value of approximately 4.2 million for the 10 congregations involved in the initial phase Toronto Study. Huron Chapel in Auburn, ON ranked highest with a Halo Index of \$1,909,380.05, followed by: St. James Centennial United Church in Parry Sound (\$982,654.17), St. Paul's Anglican Church in Southampton, ON (\$478,123.66) and St. Andrew's United Church in Hallville, ON (\$412,762.93).

The following representations help us consider the four congregations compared side-by-side.

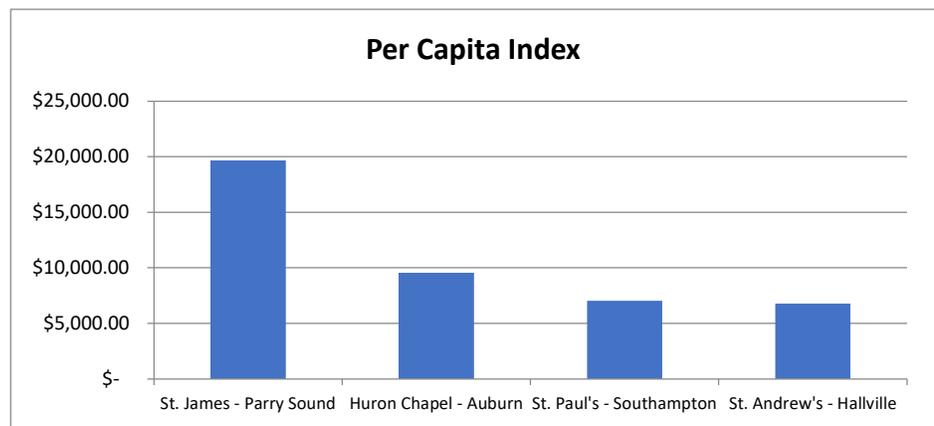


Raw totals, though, can be deceiving. Two helpful comparisons in this regard consider the ratio between direct spending and total halo impact as well as the per capita impact which explores the community economic impact per worshipping member.



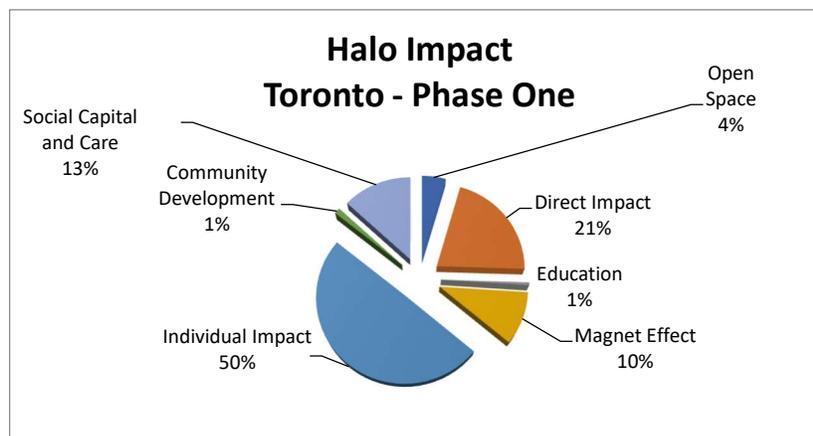
This portrayal demonstrates less dramatic differences between the various congregations' contributions to their communities. So, for example, while Huron Chapel in Auburn, ON has the largest total economic impact, its Direct Spending makes up a larger portion of its impact. St. James' Centennial holds the largest ration of Direct Spending to Total Impact. And while St. Andrew's United Church in Hallville, ON has the smallest overall impact the impact it does make is made with the lowest relative percentage of direct spending (9.12% compared to 19.32% for St. James' Centennial).

In this chart, we see that while Huron Chapel has the largest total economic impact on its community; the largest relative impact per worshipping member is made by St. James United in Parry Sound. And while St. Andrew's United in Hallville has the lowest total economic impact its relative per



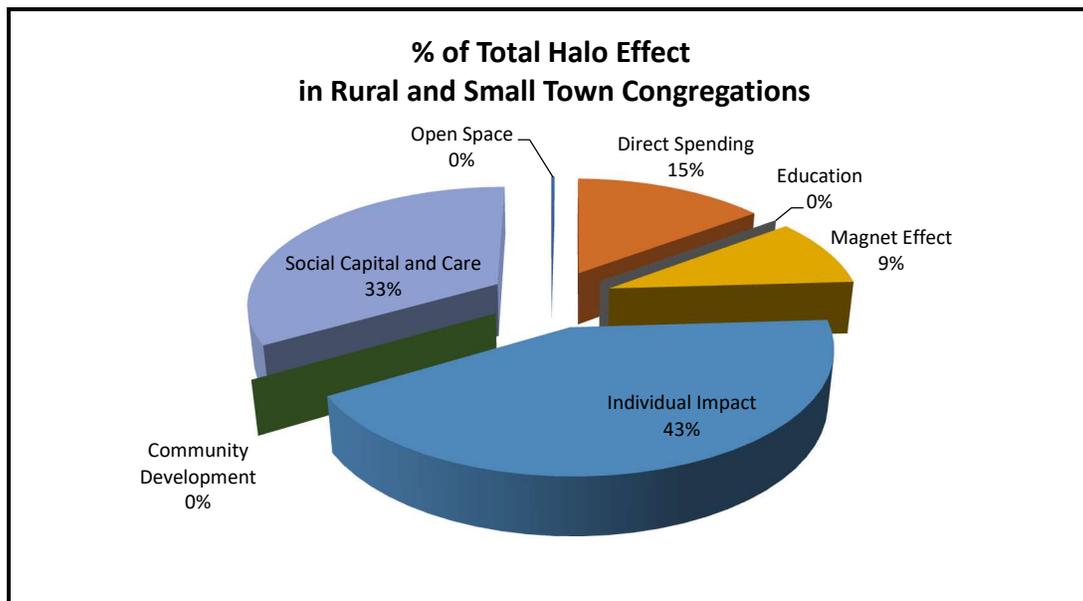
capita contribution is virtually the same as St. Paul's Anglican in Southampton, and is not inordinately different from Huron Chapel in Auburn (the largest total contributor).

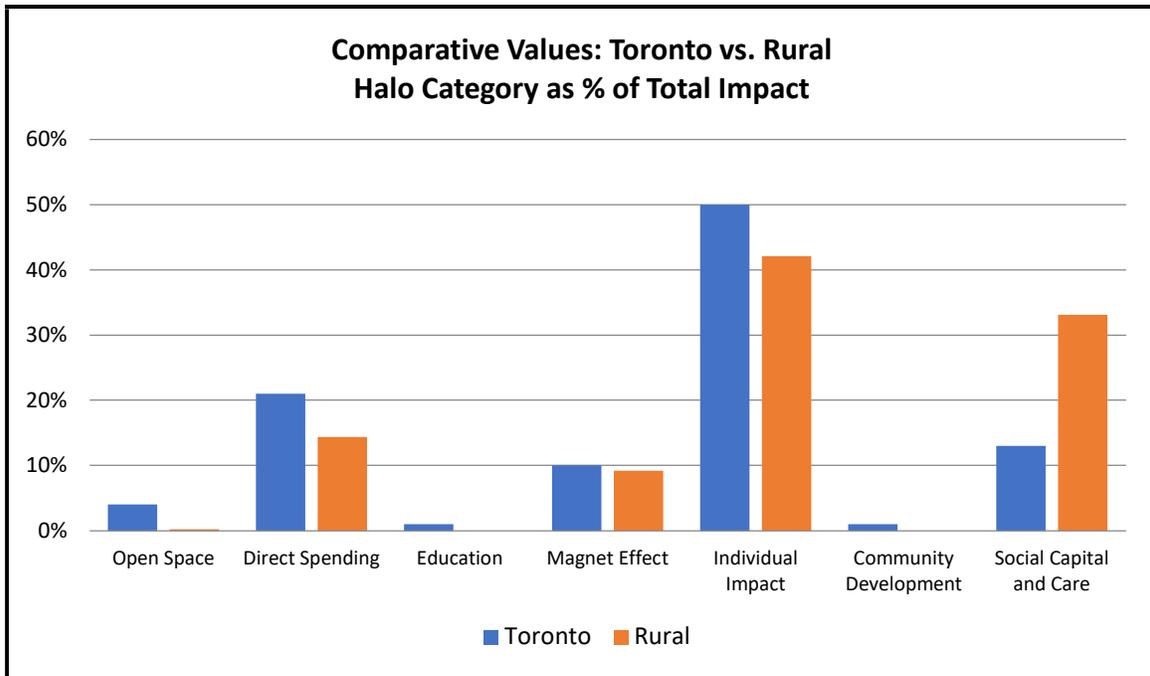
A further helpful comparison is to consider how these congregations compare in each of the 7 Halo categories; beside each and against those in the Toronto study. In Toronto, the 10 participating congregations had a total Halo Effect of \$45,405,126.57 with a median value of approximately \$4.2 million. The breakdowns in each category are represented in the first chart below.



Congregation Halo Values by Category and % of Total

Halo Category	St. James Parry Sound	Huron Chapel Auburn	St. Paul's Southampton	St. Andrew's Hallville	TOTAL	% OF TOTAL
1. Open Space	\$2,400	\$6,300	\$0	\$0	\$8,700	0.23%
2. Direct Spending	\$151,890	\$290,926	\$66,911	\$34,351	\$544,078	14.38%
3. Education	\$0	\$0	\$0	\$0	\$0	0.00%
4. Magnet Effect	\$22,500	\$249,210	\$35,810	\$40,425	\$347,945	9.20%
5. individual Impact	\$20,000	\$1,088,542	\$209,244	\$312,124	\$1,629,910	42.09%
6. Community Development	\$0	\$0	\$0	\$0	\$0	0.00%
7. Social Capital and Care	\$785,864	\$274,402	\$166,159	\$25,863	\$1,252,288	33.10%
TOTAL HALO	\$982,265	\$1,909,380	\$478,124	\$412,762	\$3,782,920	100.00%





In the above chart, we note several important comparisons. With respect to Open Space, Toronto ranked slightly higher in terms of proportional impact (+3.75%). This can largely be attributed to the fact that we did not, in rural congregations, apply the storm water management calculation. The value of subsidized communal parking was also higher in the urban context.

Direct Spending tended to represent a smaller percentage of the total Halo Effect in rural and small-town congregations as compared to Toronto (14.4% to 21%). This may be an indicator (see below) of a communal dynamic that relies heavily on volunteer support over paid staffing to carry out the communal activity of the congregation.

Community economic impact in the areas of Education and Community Development were negligible (0%) while Magnet Effect in the rural and small-town congregations we studied was relatively the same as in Toronto (9-10%). Magnet Effect helps to measure the role congregations play in catalyzing visitor spending within neighbourhoods and communities. With rural areas and small towns often finding themselves more vulnerable economically than urban communities this factor, while representing the same halo effect as in urban communities, may have added weight in rural communities. Whereas urban communities might be able to accommodate or compensate for the loss of economic activity associated with congregational demise – rural and small-town communities may not. While our study measures the % impact of Magnet Effect as part of the whole, it does not measure it's impact relative to the community's overall economy.

Toronto scored significantly higher in the area of Individual Impact (50% of total compared to 42% of total). This area measures the economic value of the way congregations and clergy intervene in people's lives to help them become or remain productive members of their communities.

Conversely, rural and small-town congregations ranked significantly higher than Toronto in the area of Social Capital and Care (33% to 13%). As indicated before, this observation points strongly to the tight-knit communal nature of rural and small town congregations, the reliance these communities place on the availability of free or subsidized space to offer non-religious programming out of as well as the significant contribution volunteer time makes to both the social fabric and economic common good of the community.

Discussion and Conclusions

Our primary goal in the Toronto Halo Study was to contribute to the study of congregational valuation in parallel with the work currently being conducted in the United States and to explore the suitability of the Halo methodology in the Canadian context. With the exception of some early work conducted by Handy and Cnaan in Ontario in the 1990's,²¹ we could not identify any other domestic research that comprehensively values the economic contribution of local congregations. While the study of valuation is becoming quite extensive in a diverse number of sectors, religion (other than work of Cnaan and colleagues at the University of Pennsylvania and Partners for Sacred Places) has yet to be included. This was the first attempt to produce a quantitative study of this nature in Canada.

The results of this initial phase demonstrate that such a valuation is possible in the Canadian context and is comparable to the findings in the United States. It is clear, from these findings, that Canadian congregations are currently making significant economic contributions to their communities and in so doing positively impacting their collective quality of life.

Similarly, with this study, we find that rural and small-town congregations are currently making significant economic contributions to their communities. While many of these congregations are currently facing dwindling numbers and along with diminished economic resources, they continue to maintain a social and economic legacy within communities that these hamlets and villages would be hard-pressed to replace.

The primary areas of significance of this study with respect to the Regeneration of Rural Congregations are as follows:

²¹ Handy, F., & Cnaan, R. A. (2000). "Comparing Neighbors: Social Service Provision by Religious Congregations in Ontario and the United States". Available from http://repository.upenn.edu/spp_papers/13

1. It affirms the role rural and small-town congregations, along with their members, play as economic catalysts in their communities;
2. It identifies and quantifies the areas in which these congregations have significant economic impact;
3. It discerns areas of opportunity for congregations to expand the scope of their economic impact;
4. It creates opportunities for communities to partner with congregations to both to preserve, develop and expand the kind of economic capacity that can contribute to the common good of their communities.

Together these figures offer various points for congregational and community reflection. Do congregational values reflect the congregation's view of itself and its relationship with the wider community? Are congregations providing impact in the areas they thought they were? Are there areas in which congregations can be refocusing their spending; their use of building and property; and their investment of volunteer resources in order to have greater impact on the common good of their surrounding neighbours? For the congregations who participated in this study, do these findings offer a challenge to increase their involvement in community development partnerships or to offer space that is unused during the week for childcare or other educational opportunities? As integral members of the community, how can what these congregations are already offering be maximized and expanded upon in order to support local economies, provide economic benefits to neighbourhood families and individuals, and in so doing be a positive social force in supporting the well-being of society in general.

While the data to date is insufficient, it may be that in the future we will be able to achieve a "rule of thumb" formula; an equation that looks something like: Average Worship Attendance times a certain percentage of Annual Budget times No. of Programs = Halo Index. It may also be that we are able to look more closely at the significance of per capita Halo numbers (the ratio between cumulative Halo figures and individual numbers of congregants). One challenge here will be to consider the different membership models that exist between traditions and even within religious traditions, and whether community size or demographic has any relative impact upon this.

These findings also challenge the assumption that communities of faith are merely self-serving clubs. While there are, no doubt, some congregations across the Province (in rural and in urban communities) where this assumption may apply, the information provided here demonstrates that the vast majority of congregations, regardless of religious tradition, are not "clubs". Rather they are significant assets to the communities in which they are located. In fact, based on these numbers, if these congregations ceased to exist, the cost to community and society would be immense. Moreover, these findings remind us that congregations do not exist in isolation from the communities in which they find themselves. In only one of our participating congregations did more than 40% of the active participants travel more than 10 km to attend. The people who make up local congregations ARE MEMBERS of the local community. They are integral parts of the social fabric. They live, shop and raise their families in these communities. The idea that they are separated somehow from the wider community simply because they are part of a community of faith does not hold weight.

Some people of faith will find our attempts to include "congregation" and "economics" in the same sentence troubling. So will some residents-at-large in these communities. Some of the congregations we asked to participate in this study elected not to take part; indicating their belief that money and

spirituality are not connected, or at least should not be connected in this way. Clearly, congregations that have participated in the study to date, did so because they believe economics and spirituality are connected, and because they believe the findings have something to contribute to their long-term planning and ongoing relationship with their community.

Finally, it is important to note that this study does not give a final or complete indication of the value of a “average” rural or small town congregation. As suggested above, value is never just about money. But it can include it. This study simply offers one way of articulating the relationship between congregation and community; an economic one. In association with our American colleagues, we expect that that future research will serve to refine, validate and in some cases even dispute some of the assumptions and determinations made in this study. Future studies may include additional categories, while others may be eliminated. What this study does accomplish is affirm the belief that articulating the value of a congregation’s economic contribution to its surrounding neighbourhood is possible; and not only possible but important to our understanding of the relationship between faith and community and the ways in which this relationship contributes to the health and vitality of communities as a whole.

Appendix A

As indicated previously, our study relies heavily on the methodology and matrix established for the Philadelphia Halo study. For a discussion of their criteria and selection process see Cnaan et al.²²

In the Toronto study, we reduced the number of items to 41 but followed the same 7 categories: Open Space, Direct Spending, Education, Magnet Effect, Direct Impact, Community Development, and finally Social Capital and Care. These changes reflect observations and questions raised by the Philadelphia group regarding the objectivity of some of their initial questions particularly where it pertains to “Magnet Effect” and the area of “Individual Impact”. The values ascribed to each category are summarized in Appendix B.

A. Open Space:

- 1a. Green Space: Many congregations have trees, lawns, gardens and other green spaces on their property, each of which has positive impact on the esthetic and environmental status of the neighbourhood.^{23, 24}

To monetize some of this value we relied on satellite images and property data available from the City of Toronto to measure green space. Small parcels of land that were not able to be measured by satellite images were measured by hand.²⁵ The City of Toronto currently covers storm water management costs through fees based on consumption (3.4500/m³ for residential and 2.4149/m³ for industrial.)²⁶ The City Water Department has proposed a change however for the upcoming 2017 budget year that would see a storm water management fee of \$0.77 per square meter applied to impermeable property area (roof, asphalt and concrete areas, etc.) Assuming that the City will approve this proposed change and that the cost will be similar to the figure above, we have used this figure to estimate the relative savings that congregational green space offers to the City.

The Philadelphia study also sought to include a detailed valuation of tree contributions to pollution reduction and water runoff control making use of a tool developed by the US Forrest Service.²⁷ When considering the time intensive nature of collecting these measurements in more than 50 congregations; that only 4 of 12 congregations in the Philadelphia study reported economic contributions of over \$1000 in this category; and that only two reported contributions of over \$5,000, it was decided to also eliminate this item from the matrix.

In addition to the concrete methods identified above, other studies²⁸ document how green spaces and recreational

²² Cnaan et al (2013)

²³ Curran, Deborah (2011), Economic Benefits of Natural Green Space Protection (The POLIS Project on Ecological Governance and Smart Growth BC) Available from: <http://www.smartgrowth.bc.ca/Portals/0/Downloads/Economic%20Benefits%20of%20Natural%20Green%20Space%20Protection.pdf>

²⁴ Lindsay, Lois (2004), “Green Space Acquisition and Stewardship in Canada’s Urban Municipalities”, Evergreen. Available from: <http://www.evergreen.ca/downloads/pdfs/Green-Space-Canada-Survey.pdf>

²⁵ Morgan, T., Riley, K., Tannebring, R., and L. Veldhuis, (2010), “Evaluating the Impacts of Small-Scale Greenspace: A Case Study of Harlem Place in Downtown Los Angeles” Santa Barbara, CA: Donald Bren School of Environmental Science and Management, University of California. Available from: http://www.bren.ucsb.edu/research/documents/GreenLA_Proposal.pdf

²⁶ City of Toronto (2016), “2016 Operating Budget.” Available from: <http://www1.toronto.ca/wps/portal/contentonly?vgnextoid=e560f459354b0510VgnVCM10000071d60f89RCRD>

²⁷ US Forrest Service (2010), iTree. Available from: <https://www.itreetools.org/>

²⁸ Kerr, Jacqueline (2011), “The Economic Benefits of Green Spaces, Recreational Facilities and Urban Developments that Promote Walking”, in Quebec en Forme Research Summary 4:2. Available from:

areas can have a positive effect on the value of residential properties located close and in turn generate higher tax revenues for local governments. This impact depends on the distance between the residential property and the green space as well as the characteristics of the surrounding neighbourhood. A recent study conducted in Dallas – Fort Worth showed that houses within 500 feet of a green space with an average size over 2 acres showed a percentage added value of approximately 8.5%, while those located within 100 feet had a percentage added value of almost 25%.²⁹ Another study of three neighbourhoods in Boulder, Colorado suggests that property values decrease by \$4.70 USD for each foot away from a greenbelt area.³⁰ While the extent of these valuations is significant and recognized anecdotally, attributing index values to these components are beyond the scope of this study.

- 1b. **Garden Plots:** Some congregations add value to their green space by making them available for garden plots. Peleg Kramer³¹ cites a New York study which measured the value of produce from 43 gardens (over 17,000 pounds of food) at approximately \$52,000 USD (\$66,638 CDN) for an average of roughly \$1550 CDN. There was no indication of the size of these community gardens. In order to err on the conservative side, we estimated that an average garden plot would yield \$775 worth of food annually.
2. **Recreation - Children's Play Structure:** Currently the City of Toronto, Parks, Forestry and Recreation enhances/replaces existing Toronto playgrounds under its play enhancement program. Playgrounds being enhanced/replaced under this program currently have a Capital Budget of \$150k each. This is a global budget that includes: professional and technical service fees, testing and permit costs (as required), management fees, construction/installation costs and applicable taxes. Typically, the playground equipment cost (including installation) accounts for \$50-70k of that global budget. This range can vary from playground to playground based on a wide number of factors. Where play structures are present, we anticipate that on average they would not be of the size and scope of City facilitated structures. To maintain a conservative estimate, we estimate an avg. cost of \$30,000 for commercially installed structures with a life span of 25 years. This would equate to an average yearly valuation of \$1200.
3. **Recreation – Sports Field:** The Philadelphia study based their valuation on a U.S. Corps of Engineers Study,³² which estimated the annual benefit to direct users of sports fields/facilities at a minimum of \$5000 USD (apr. \$6500 CDN) annually. We were unable to identify a similar Canadian study and as a result used the following calculations. Parks and Recreation for the City of Toronto books outdoor diamonds and fields in 2-hour blocks. These facilities are available on a seasonal or spot rental basis. Average charge is approximately \$25 per hour. We estimated that a soccer field / baseball diamond / cricket pitch on congregational property might be used an average of 1 hour per weekday and 2 hours per weekend day from April to October (252 hours) at \$25/hr. for a total annual valuation of \$6300.
4. **Parking:** Congregational parking lots are used most often by members coming for worship or other congregational events. In some cases, congregations may offer this space for a fee to monthly or daily users. In many cases, however, parking is offered free of charge as long as it is not considered `regular` use. To estimate the value of these lots, we considered how much it costs to park in civic lots in the City of Toronto. While rates vary widely, particularly in the downtown core, an average `Green P` lot in mid-town Toronto currently charges \$3.50 per hour or \$10 per day. A very conservative estimate that would see one car using the lot on a daily basis 6 days a week would put the value at roughly \$240 per month.

http://www.quebecenforme.org/media/5875/04_research_summary.pdf

²⁹ Miller, A., (2001), "Valuing Open Space", Land Economics and Neighbourhood Parks. Cambridge, MA. Massachusetts Institute of Technology Centre for Real Estate.

³⁰ Walker, Christopher, (2004) "The Public Value of Urban Parks". (The Urban Institute: Washington DC) Available from: <http://www.urban.org/research/publication/public-value-urban-parks>

³¹ Kramer, Peleg, (2012), "Quantifying Urban Agriculture Impacts, One Tomato at a Time", Triple Pundit May10, 2012. Available from: <http://www.triplepundit.com/2012/05/quantifying-urban-agriculture-impacts-one-tomato-time/>

³² US Army Corps of Engineers (2010). "Recreation: Value to the Nation". Available from: <http://www.corpsresults.us/recreation/recreation.cfm>

5. **Property Tax:** Typically, faith communities are not taxed on their properties. However, one of the participants in our initial phase study is located in the downtown core and has a long-term lease arrangement with a developer for an office tower that was constructed on the property. This arrangement provides significant benefits to the city through taxation and as such provides a “halo” impact. To calculate the value of this impact we researched an article that states: that in 2012 the average commercial tax assessments were \$31.85 per \$1000 of assessment.³³ We also discovered through a public rental website that the property includes 240,000 square feet. Assessments are usually determined on the basis of rental income, but construction costs can also serve as a proxy. Altus Group³⁴ estimates construction costs for buildings 30 storeys and taller to be between \$265 and \$365 / sq. ft. Following the lowest cost scenario, an equation based on the variables stated above produces an annual tax assessment of \$2,025,660.

B. **Direct Spending**

6. **Operational Budget:** In 1999, Chaves and Miller³⁵ provided the first systematic review of congregational budgets, and found that congregations tend to save very little of the income they receive. Typically, congregations spend as much as they receive in revenue. As such, their total expenditures can largely be seen as economic contributions to their local community. Congregational budgets are spent mostly on salaries, music programs, social services, maintenance and upkeep, all of which tend to be local expenditures and thus provide stimulus to the local economy.³⁶ Most congregational staff tend to live locally and therefore spend the bulk of their salary locally. A certain portion of the salaried budget is, of course spent outside the community, as are certain non-salaried portions of the budget such as organizational contributions, international development, and disaster relief but these amounts tend to be relatively small proportionally speaking. To take this fraction into account we estimate (in-line with the Philadelphia study) that the congregation’s base-level contribution to its local economy is 80% of its annual operating budget.
7. **Other Budgets:** Some congregations maintain more than one budget. For example, congregations might hold separate budgets for music, youth programming, or men’s and women’s groups. To ensure that all budgets were included, we asked specifically for these additional budgets (excluding capital budgets which are identified below as a separate category). We applied the same thinking as above and counted 80% of each separate budget as a contribution to the local economy.
8. **Capital Projects:** Because of their very specific nature and often limited time frame, capital budgets are almost always separate from the operating budget. Constructing a new building or undertaking major renovations often require different kinds of strategic planning and fund-raising. In these kinds of situations, it is often necessary to engage architects and contractors from outside the community. In order to account for this reliance on “out-of-neighbourhood” services, we estimated that only 50% of capital campaign or building budgets are spent locally.
9. **Special Projects (not included above):** Some special projects involve applications to foundations, government organizations, religious organizational offices and business. While some of these grants may be intended to address internal congregational needs, it would appear the vast majority of these types of grants are intended to address the wider community. In keeping with items 6 and 7 (above,) we estimate that 80% of each of these types of funding be seen as a contribution to the local economy.

³³ Perkins, T., (2012). “Developers Decry High Commercial Property Taxes.” In Globe and Mail Oct 15, 2012. Available from: <http://www.theglobeandmail.com/report-on-business/developers-decry-high-commercial-property-taxes/article4611934/>

³⁴ Altus Group (2014). “Construction Cost Guide – 2014”. Available from: http://www.altusgroup.com/media/1160/costguide_2014_web.pdf

³⁵ Chaves, M. and S.L. Miller (1999). “Financing American Religion.” Walnut Creek, CA: Altamira

³⁶ Cnaan, R., Bodie, S.C., McGrew, C.C. and J Kang, (2006), “The Other Philadelphia Story: How Local Congregations Support Quality of Life in Urban America.” Philadelphia, PA: University of Pennsylvania Press

C. Education

10. Nursery School / Day Care: The Canadian Centre for Policy Alternatives reports that Toronto has the highest rates in Canada for infant child care (\$1676) as well as the highest toddler fees at (\$1324). We took the average of these two figures which equates to \$1500 per month.³⁷
11. Alternative Schools: Where congregations offer independent or alternative schools, funding generally comes through tuition, organizational funding and/or special donations to the school. It should be noted that the parents of children at a private school such as this pay both tuition and local educational taxes. As a result, there are additional savings/value to the public: taxes are paid and services are not made use of. Statistics Canada (2010) reports that the average cost of education per student in the Province of Ontario is \$1,783. For those congregations offering private forms of education we used this figure as an equivalent and multiplied this value by the number of students enrolled.³⁸

D. Magnet Effect

- 12-21. Conferences, weddings, funerals, religious festivals and rites of passage and other events often attract significant numbers of visitors to the congregational site. These visitors often spend significant amounts of money while in the neighbourhood. In total, we identified 10 areas that contribute to "Magnet Effect". In the Philadelphia study, Cnaan et al (2013) attempted to differentiate between the numbers of people who might travel overnight for an event vs. those who were simply making daytrips into the community. In our study, we elected not to include overnight stays, believing these estimates would be too difficult to verify. Instead, we opted to make use of Ontario Ministry Tourism estimates that place the average same day visit spending to be around \$82. Applying the same rationale used by Cnaan et al (2013) to apply this value to only 1 in 4 visitors, we settled on an average value of \$20 per visitor. We then applied either reported estimates of those travelling greater than 10 km to each event or applied the corresponding percentage of worshippers who travel more than 10km to worship as a proxy.
22. Members Expenses While in the Neighbourhood: As illustrated in sections 12-21, visitors to the neighbourhood are estimated to spend an average of \$20 per visit. If the individual, or family, simply drive in and out of the neighbourhood, their financial contribution will be minimal. But if they purchase gas, buy groceries, visit a local resident or go shopping at a nearby mall their spending will increase significantly. In the Philadelphia study, estimates of this daily value were confirmed with over 30 interviews of members who commute from outside the neighbourhood to attend services. As a result, we applied the same \$20 amount per person for those travelling greater than 10 km to worship. (This does not take into account times when they may have driven in to attend mid-week meetings or programs).
23. Volunteer Expenses While in Neighbourhood: same as above, \$20 per visitor.
24. Urban / Suburban Collaborations: The value of partnership between urban and suburban congregations can be considerable.³⁹ Urban and suburban collaborations are one means through which resources (both human and financial) can be transferred between communities. As a minimum estimate, we totalled the volunteer hours spent annually in urban/suburban collaborations and applied the Government accepted estimate of \$24/hr.⁴⁰

³⁷ Macdonald, David and Martha Friendly (2014). "The Parent Trap: Child Care Fees in Canada's Biggest Cities." Canadian Centre for Policy Alternatives: Ottawa. Available from:

https://www.policyalternatives.ca/sites/default/files/uploads/publications/National%20Office/2014/11/Parent_Trap.pdf

³⁸ Statistics Canada (2009/2010). "Expenditures in public and elementary schools per capita by province and territory, 2005/2006 to 2009/2010." Available at: <http://www.statcan.gc.ca/pub/11-402-x/2012000/chap/edu/tbl/tbl20-eng.html>

³⁹ Slutz, T., "Urban Suburban Partnerships." The Polis Centre. Vol. 1 No. 11. Available from:

<http://www.polis.iupui.edu/ruc/printable/157.asp>

⁴⁰ Volunteer Canada. Found at: <https://volunteer.ca/value>

E. Individual Impact

25. Suicide Prevention: Assessing the value of life is a difficult topic socially, let alone in financial terms.⁴¹ It is commonly assumed that the two key costs of suicide and attempted suicide are lost income and cost of health care. This assumption excludes the notion of attributing a value to the grief of family and friends. The Canadian Mental Health Association reports that the cost of suicidal death ranges from \$433,000 to \$4,131,000 per individual depending on potential years of lost life, income level and economic impacts on survivors. The estimated cost of attempted suicide ranges from \$33,000 to \$308,000 per individual depending on the level of hospital costs, rehabilitation, family disruption in terms of lost income, and support required following the attempt.⁴² While it is difficult to assess whether or not preventing a suicide over the course of a year prevents suicide in subsequent years, we followed the assumption offered by Cnaan et al (2013) that it can conservatively be estimated that preventing someone from committing suicide for one year saves a 20th of the cost of suicide. Using their model, we added \$33,000 (the lowest estimate of the cost of attempted suicide) and 5% of \$433,000 (the lowest estimated cost of a successful suicide) to arrive at a value of \$54,650. It should be noted that this figure does not include an economic value for the cost of grief, emotional trauma, and other personal suffering.
26. Helping People Gain Employment: Many congregations are active in helping congregational members and/or community residents gain full-time employment. In order to assess this value, we used Ontario's current minimum wage of \$11.25 at a conservative estimate of 35 hours/week over a total of 50 weeks per year. This equates to a total of \$19,687.50.
27. Crime Prevention: Some congregations also report that they have been active in preventing congregational or community members from going to prison. Cnaan et al (2013) report that this should be seen as a distinct from the general influence that congregations may have as examples of "moral influence" (i.e. promoting good behaviour, social cohesion and respect for the law). In this section of the study, however, we are focusing on direct impact, examples of crime prevention where clergy or other members of the congregation were directly responsible for preventing this kind of outcome. Statistics Canada reports that it costs an average of \$357 each day to maintain an adult in federal prison and \$172 to imprison someone in Provincial Correctional Facilities.⁴³ To arrive at an appropriate index we took the average of the two (\$264.50) and multiplied the figure by 365 for a total of \$96,542.50. To this figure, Cnaan et al. added a figure of \$5,000 in minimum taxes that the government no longer receives from the imprisoned person, bringing the total to \$101,542.50. We applied this value each time a congregation reported directly preventing someone from going to prison.
28. Helping End Alcohol and Substance Abuse: Many faith communities are also active in helping people end alcohol and substance abuse. While there may be indirect assistance offered by being connected to a faith community, as well as membership in affiliated support groups such as AA, our study involved only direct counselling from clergy or other congregational staff. We asked each clergy team to identify the number of individuals they believed they had had a direct role in ending a person's alcohol or substance abuse. Then in order to value this contribution we reviewed the literature on economic cost of these factors on society. In 2002, it was estimated, that the economic costs to society of substance abuse have reached \$39.8 billion in Canada⁴⁴. Of these economic costs, approximately \$24.3 billion was due to labour productivity losses, including short-term and long-term disability and premature mortality. Health Canada estimates that social costs for alcohol and substance abuse are comprised primarily of health and enforcement costs. In terms of alcohol related costs, they estimate \$165 (health) and \$153 (enforcement) for a total of \$318 per occurrence. With respect to substance abuse they estimate \$20 (health) and

⁴¹ Robinson, J.C., (1986). "Philosophical Origins of the Economic Valuation of Life." Millbank Quarterly 64(1):133-155

⁴² Canadian Mental Health Association (2016). *Mental Illness in Canada: Statistics on the Prevalence of Mental Disorders and Related Suicides in Canada*. Found at: http://alberta.cmha.ca/mental_health/statistics/

⁴³ Statistics Canada (2015). "Adult Correctional Statistics in Canada 2013/2014". Available from: <http://www.statcan.gc.ca/pub/85-002-x/2015001/article/14163-eng.htm>

⁴⁴ Rehm, J., Baliunas, D., Brochu, S., Fischer, B., Gnam, W., Patra, J., Popova, A., Sarnocinska-Hart, B., and B. Taylor (2006), "The Costs of Substance Abuse in Canada". Canadian Centre on Substance Abuse: Ottawa. Available from: "<http://www.ccsa.ca/Resource%20Library/ccsa-011332-2006.pdf>

\$328 (enforcement) for a total of \$348. This leaves us with an average value of \$338 per occurrence.⁴⁵ It should be noted that these figures are considerably lower than the estimate of \$15,750 put forward by Cnaan et al (2013).

29. Enhancing Health and Reducing the Cost of Illness: The Canadian Institute for Health Information reports that the average health costs per person are \$6105 annually.⁴⁶ It has also been reported that early diagnosis (particularly in the area of dementia and diabetes which represent two of Canada's greatest public health challenges) can reduce health costs by as much as 30%.⁴⁷ Taking these figures into account we applied an index value of \$1831 in situations where congregations have through some means been able to assist with early diagnosis or access to health care. While this is often difficult to assess it is most clearly evident in situations where a Parish Health Nurse or some other Medical or Mental Health Professional is part of the congregational staff.
30. Teaching Children Pro-Social Values: Cnaan et al (2013) point out that one of the reasons families with young children join faith a community is to ensure that their young children receive a moral education, are taught social values and learn something of the value of civic engagement. Regardless of religious tradition, communities of faith offer educational programs and children's activities that encourage social responsibility, moral commitment, and respect for authority. These programs are difficult to value. For the most part, the costs for these programs are embedded within congregations' general budgets. Cnaan et al contacted some groups who did charge for youth programming and devised a formula which suggests the value of teaching a young person pro-social values is \$375 per year. We were unable to identify similar programs in the Canadian context. One way of valuing this role would simply be to take apply the current CDN exchange rate to the figure proposed by Cnaan et al. This would produce a value of \$484.25. Another way would be to ascribe a modest value of \$10 per week which would equate to an annual value of \$520 (very close to the proposed exchange rate (to err on the conservative side we elected to go with \$484.25 per identified child 12 years and under).
31. Promoting Youth Civic Engagement: Several studies support the economic value of teaching youth civic behaviour.⁴⁸ They contend that religious participation as well as participation in other forms of extra-curricular activities are significant predictors of political and civic involvement and that these youth are less likely to engage in risky behaviours that bear cost to society. Sinha et al⁴⁹ are careful to note that congregational influence represents only one of many factors including parental care, school input as well as peer influence. In terms of ascribing economic value to this dynamic, the clearest offering we were able to identify is put forward by Cohen and Piquero.⁵⁰ They suggest that the potential benefits of encouraging civic behaviour is similar to that of dissuading a young person from adverse societal behaviours such as truancy, drug use, criminal activity and abusive behaviour towards peers. They conclude that the monetary value of "saving" a high-risk youth is between 2.6 and 5.3 million dollars (US). With a midpoint of approximately 3.95 million over a 50-year lifetime, the annual savings is approximately \$79,000 (USD) or \$102,013 (CDN). However, not all youth are "high-risk" and so we reduced the estimate by 75% (1 in 4). Furthermore, faith communities are not alone in helping youth avoid illegal or risky behaviours. Parents, teachers and other organizations all have a role to play in supporting them. And so, we reduced the figure by another 75%, arriving at a final estimate of \$6379 (CDN) annually for each identified youth between the ages of 13 and 18.

⁴⁵ Thomas, G and C. Davis, (2009), "Comparing Risks of Harm and Costs to Society." *Visions* 5(4):11 Available from: <http://www.heretohelp.bc.ca/visions/cannabis-vol5/cannabis-tobacco-and-alcohol-use-in-canada>

⁴⁶ Canadian Institute for Health Information (2015). "Health Spending Data". Available from: <https://www.cihi.ca/en/spending-and-health-workforce/spending>

⁴⁷ Barchester Foundation, (2010). "Early Dementia Diagnosis Could Reduce Costs by 30%" Available from: <https://www.barchester.com/news/early-dementia-diagnosis-could-reduce-costs-30>

⁴⁸ Smith, E., (1999). "The Effects of Investments in the Social Capital of Youth on Political and Civic Behaviour in Young Adulthood: A Longitudinal Analysis." *Political Psychology*, 20(3), 553-580

⁴⁹ Sinha, J.W., Cnaan, R., and R.J. Gelles, (2006). "Adolescent Risk Behaviours and Religion: Findings from a National Study." *Journal of Adolescence*, 30(2):231-249

⁵⁰ Cohen, Mark and Alex Piquero (2007), *New Evidence on the Monetary Value of Saving High Risk Youth* (Vanderbilt University School of Law and Economics). Pp. 1-58. Found at: http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1077214

32. Helping Immigrant and Refugee Families Settle in Canada: The Ontario Council of Agencies Serving Immigrants reports that it costs an average family of three approximately \$55,000 - \$65,000 a year for living expenses. Many faith communities are involved in sponsoring refugee families from abroad.⁵¹ This includes not only covering these costs for a period of up to one year but assisting with: helping to find suitable long-term housing, helping to learn English or French, assisting with job search, helping them to learn about Canadian culture and values, and helping them to access services and programs within the community. Assuming that there are costs beyond the minimum average “hard” cost of \$55,000 we took the difference between the two estimated values to apply a valuation of \$60,000 per family (in this case regardless of family size).
33. Preventing Divorce: Clergy sometimes are able to support married partners in ways that help to prevent divorce. In order to measure this impact, we asked clergy to indicate the number of married partners that they could reasonably state would likely have separated or divorced without their direct influence. In Canada, an uncontested divorce will cost approximately \$1,000. However, a recent poll of 570 Canadian lawyers indicates that cost for a contested divorce ranges from \$6,582 to as much as \$86,644, with the average running about \$15,570.⁵² It is recognized, however, that the prevention of divorce by a ministry professional such as Pastor, Rabbi or Imam or any designated members of a congregation may not be permanent. Couples may simply be postponing divorce until a later date. For this reason, we followed the example of Cnaan et al, counting the figure of \$15,570 as being applicable if the couple stayed together for another 20 years. Dividing by 20, we estimate the value of preventing a divorce for one year is worth approximately \$780.
34. Helping End Abusive Relationships: In 2013, Justice Canada released a report indicating that domestic violence and spousal abuse costs the country at least \$7.4 billion a year.⁵³ Drawing on almost 50,000 instances of spousal abuse reported to police, and a 2009 Statistics Canada phone survey which estimated that 336,000 Canadians were victims to some form of violence from their spouse. Dividing the estimated cost by the number of victims yields an annual per victim cost of \$22,023. As with divorce, it is possible that prevention may not be permanent. Applying the same 20-year logic model, dividing by 20, we estimate the value of helping end an abusive relationship for one year to be worth approximately \$1100.

F. Community Development

35. Job Training: Congregations, particularly in urban settings, are often involved with individuals in need of job training. In 2006, Cnaan et al conducted a census of congregations in the City of Philadelphia, in which they asked about the cost of congregational-based job training programs. The reported average cost was approximately \$10,000 per program. Our study chose to address this question differently; on the basis of per individual cost. To approximate an appropriate value, we explored other publicly offered programs. The YMCA in Toronto offers courses that provide one-with-one counselling, assessment tools such as Myers Briggs and Emotional Quotient Inventory, detailed interpretation of the assessment results and follow-up sessions for ongoing support and guidance. Depending on the amount of time these programs range and length of ongoing support these programs range from \$470 to \$610 to \$870.⁵⁴ Assuming that most individuals would choose the middle category we settled on a figure of \$610 per individual for job-training programs.
36. Housing Initiatives: Housing programs are amongst the most demanding types of projects that congregations can undertake. They require substantial amounts of funding, long-term commitment, and the support of a wide variety

⁵¹ Janzen, R., (2016) Unpublished Manuscript. “*Canadian Christian Churches as Partners in Immigrant Settlement and Immigration.*” Centre for Community Based Research: Waterloo. pp. 1-31

⁵² Vaz-Oxlade, Gil (2013). “*Keep Divorce Out of Court.*” MoneySense. Available from: <http://www.moneysense.ca/columns/super-saver/keep-divorce-out-of-court/>

⁵³ Zhang, Ting and Josh Hoddenbagh, Susan McDonald, Katie Scrim, (2009), *An Estimation of the Economic Impact of Spousal Abuse in Canada, 2009*. Government of Canada: Department of Justice. Found at: http://www.justice.gc.ca/eng/rp-pr/cj-jp/fv-vf/rr12_7/index.html

⁵⁴ YMCA Career and Employment Training. Found at: <https://ymcagta.org/employment-and-immigrant-services/career-planning-and-development-services>

of partners and stakeholders. In cases where congregations have undertaken these commitments, we propose calculating direct costs for construction pro-rated over an assumed 50-year life-span. In addition to this, Toronto Community Housing identifies a market value rate of \$1060 per family-sized unit.⁵⁵ In order to attribute an approximate value to society for Housing Initiative Involvement we adopted the following equation: (cost / 50 years) + (number of units created x \$1060/month or \$12720) minus rent paid and government subsidies applied.

37. **Lending Programs:** Faith based organizations, including local congregations, have a rich tradition of involvement in developing the social economy of Canada.⁵⁶ One such example is where faith-based organizations have been involved in lending programs to assist families in extreme need or to facilitate small business and micro-industry. In cases where congregations have undertaken this kind of support, we propose basing value on the actual amount of funds loaned.
38. **Small Business and Non-Profit Incubation:** Some faith communities are involved in helping incubate or initiate small business or micro-enterprises. Cnaan et al⁵⁷ found that the average investment of congregations who were involved in incubating small businesses was \$30,000. In our study, we chose to use employment generated. Innovation, Science and Economic Development Canada identifies a micro-business as 1 to 4 employees.⁵⁸ We assumed that any start-up business would likely fall within this category. We estimated an average number of 2 employees unless specifically stated. Again, using the minimum wage calculation for two individuals we arrived at a total annual value of \$39375 for the creation of a small business. This estimate is conservative and does not take into account the investment of the owners or taxes generated.

G. Social Capital and Care

Most faith communities, regardless of tradition provide space for social programming that benefits people in the wider community. For the most part, their operating budget covers at least part of the cost of these programs. For example, the cost of clergy and staff time, utilities and building maintenance are generally included in operating budgets. Some additional costs; however, are not covered. They include the following three items: space value, volunteer time, and in-kind support.

39. **Value of Social Program Space:** We asked congregations to complete program templates for each program they provide or support that is open to and provides some touch-point with the wider community. Following Cnaan et al, we followed the replacement method which assumes that if a public or private organization was to provide this program, they would have to rent an equivalent space. Following this method, if a faith community provides its social program space for free, then the value of the space represents an economic contribution to the local community.⁵⁹ If the congregation rents out the space at below-market value, then we applied the difference between market value and what was received in fees. To determine market value costs for use of space we relied on the Toronto District School Board Fee Schedule.⁶⁰ For small meeting or classroom space we applied a rate of \$19 per hour plus a \$20 booking fee. For a gymnasium we applied a cost of \$37/hr. plus a \$20 booking fee and for an auditorium space (such as a sanctuary space) we applied \$221/hr. plus a \$20 booking fee. Where the participating group is charged market value for the space, we applied a value of \$0. In situations where groups have continuous

⁵⁵ Toronto Community Housing (2016), *TCHC Annual Budget 2016*. Found at: http://www.torontohousing.ca/webfm_send/13077

⁵⁶ McKeon, B., Madsen, C., and J. Rodrigo (2009), "Faith-Based Organizations Engaged in the Social Economy in Western Canada." The BC- Alberta Social Economy Research Alliance pp. 3-34

⁵⁷ Cnaan et al (2006)

⁵⁸ Innovation, Science and Economic Development Canada (2013), "Key Small Business Statistics – August 2013." Available from: <https://www.ic.gc.ca/eic/site/061.nsf/eng/02808.html>

⁵⁹ Cnaan et al (2006).

⁶⁰ Toronto District School Board (2105). "Facility Permit Fees." Available from: <http://www.tdsb.on.ca/Community/Permits.aspx>

and/or exclusive use of space we have approximated based on market value of roughly \$1000/month per 100 square feet.

40. Value of Volunteer Time: Volunteers serve as a major resource for all congregations.⁶¹ According to the 2011 United Nations State of the World's Volunteerism Report, "...volunteerism benefits both society at large and the individual volunteer by strengthened trust, solidarity and reciprocity among citizens, and by purposefully creating opportunities for participation."⁶² In 2010, Statistics Canada conducted the most detailed study of volunteerism in Canada to date. Notably, for this research, StatsCan observed that 21% of people who attended religious services once a week were considered top volunteers, compared with 10% of people who attended less frequently (including adults who did not attend at all). Moreover, the StatsCan study revealed that almost two-thirds of Canadians aged 15 and over who attended religious services at least once a week (65%) did volunteer work, compared with less than one-half (44%) of people who were not frequent attendees (this includes people who did not attend at all). The study also revealed that, volunteers who are weekly religious attendees dedicated about 40% more hours than other volunteers: on average, they gave 202 hours in 2010, compared with 141 hours for other volunteers.⁶³ We considered volunteer work in two areas: a) operating the congregation, b) providing social programs. As with the earlier question, involving volunteer hours spent in urban/suburban collaborations we attributed a value of \$24 to these hours spent.⁶⁴ This does not take into account the many volunteer hours, that members of faith communities are likely to contribute on their own time in other community organizations.
41. Social Program In-Kind Support: Many congregational programs directed towards the community are supported through various types of in-kind support. A typical example would be a food or clothing drive. Sometimes these involve one-time events or supporting ongoing programs. Other types of in-kind support include transportation, school supplies and household items. For each social program the congregation reported on we asked them to estimate the amount of in-kind support they provided. We added these estimated costs across the various programs to estimate an annual contribution.

In attempting valuations of this kind, it is important to consider who the primary beneficiaries of these contributions are. In the far right column of the Conceptual Matrix (Appendix A) we have indicated our sense of who the primary beneficiary is. In some cases, it will be an individual. In some cases, it will be local business. While in other cases it will be the wider community in general. And so, while certain sectors or segments of the community may benefit more in certain circumstances over others, the combined contributions should nevertheless be understood as benefitting the local economy as a whole.

It should also be noted that in some cases, a benefit for some may be a detriment to others. Cnaan et al⁶⁵ cite the example of where a member of the clergy may help to prevent a divorce which may benefit that family but might undermine the business of local divorce lawyers. Our study does not attempt to measure or include these counter impacts.

⁶¹ Cnaan et al (2006)

⁶² United Nations Volunteers. (2011). *State of the World's Volunteerism Report: Universal Values for Global Well-being*. Available from: www.unvolunteers.org/swvr2011.

⁶³ Statistics Canada (2011). *Volunteering in Canada*. Available from: <http://www.statcan.gc.ca/pub/11-008-x/2012001/article/11638-eng.htm#a13>

⁶⁴ Volunteer Canada. Found at: <https://volunteer.ca/value>

⁶⁵ Cnaan et al (2013)

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