

Pre-Budget Submission to the Standing Committee on Finance – Budget 2017

**Presented by:
The Calgary Chamber of Voluntary Organizations (CCVO)**

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INTRODUCTION

The Calgary Chamber of Voluntary Organizations (CCVO) is pleased to provide this submission on Budget 2017.

Canada's 170,000 nonprofits and charities fulfill a myriad of roles within our communities, contributing both directly and indirectly to Canada's economic growth. The nonprofit and charitable sector employs approximately 2 million Canadians; supports full participation in the workforce through settlement services, ESL programs, skills upgrading, child and elder care programs; enhances culture and community engagement; provides health and recreational programming; and stewards our natural environment.

The effects of a shifting demographic and economic context have begun to shape the Canadian economy, including the nonprofit sector. As baby boomers continue to retire and our population ages, nonprofit organizations will struggle with labour market pressures as they see increasing need for the services and programs they provide. They may also benefit as retirees look to volunteer their skills and give back to their communities in new ways. The sector's ability to adapt to this new context will require a stronger partnership with the Federal government.

FUNDING REFORMS

Federal grant and contribution programs are essential to growing the economy and building a healthy and vibrant Canada. It is in the best interest of all Canadians to ensure efficiency in grant and applications processes so that the maximum amount of federal funding is delivered to programs and services for Canadians.

CCVO applauds the reforms recently implemented by the Ministry of Canadian Heritage, designed to speed up the grant and applications process, increase transparency, and provide multi-year funding. We are optimistic that the changes in this ministry signal a move toward more efficiency and transparency with respect to grants and contributions across all ministries.

These reforms are consistent with recommendations put forth in *From Red Tape to Clear Results: The Report of the Independent Blue Ribbon Panel on Grant and Contribution Programs*, a report commissioned by the Honourable John Baird in 2006. The blue ribbon panel recommendations were based on consultations, submissions, and face-to-face meetings with over 1000 recipient organizations.

CCVO is especially encouraged by the intent to increase the number of multi-year agreements, the importance of which cannot be overstated. Long-term funding commitments provide stability and certainty for nonprofits and charities, allowing them to focus more of their time and resources on services and programs.



We thereby endorse Imagine Canada's recommendation that all federal government departments adopt these grant and contribution reforms in order to improve transparency and efficiency.

Recommendation 1: Government-wide adoption of reforms to grants and contribution administration recently announced by the Department of Canadian Heritage

NONPROFIT SECTOR DATA

The availability of information about the nature and composition of the nonprofit and charitable sector, and its workforce, has always been a challenge. While there have been encouraging initiatives including the National Survey on Nonprofit and Voluntary Sector Organizations (2003), the HR Council for the Nonprofit Sector, and Statistics Canada's Satellite Account of Non-Profit Institutions, these programs have been eroded due to lack of funding or political will. Moreover, in 2013, the previous government cancelled the Sector Council program and instead chose to prioritize "key economic sectors" through the Sector Initiatives Program. Regrettably the nonprofit- charitable sector was not among these. There is now a significant void of data, hindering a sector which constitutes 8.1% of Canada's GDP from making informed decisions, engaging in effective strategic planning, and ensuring sustainability of sector programs and services.

Given the importance of the sector to the Canadian economy and communities, **we need to have on-going access to data specific to the nonprofit sector and its workforce, and comparable to what is available for other sectors of the economy. Nonprofit sector data needs to be collected, or drawn out from existing information sources to become an established part of federal data collection systems.** One-off programs that are introduced only to be discontinued are ineffective. **Collecting this at a federal level will provide a national basis for comparability and consistency across the country.**

Recommendation 2: That the charitable and nonprofit sector have access to the same sort of reliable and consistent data that are available to other sectors.

INFRASTRUCTURE FUNDING

The Federal government has committed to spending more than \$120 billion over 10 years as a way to stimulate the economy. While we recognize that the majority of this funding will be used to address existing infrastructure gaps, we ask that the infrastructure owned and/or operated by nonprofit organizations not be forgotten. This includes community associations, affordable housing, shelter facilities, community theaters, and sports centers. There are also thousands of nonprofit organizations struggling to manage their operations out of spaces long ago abandoned and considered inadequate by private sector companies.



Past infrastructure funding programs have either excluded nonprofits, or where funding has reached nonprofits, it has been biased toward the large, institutional players. Other funding, while in theory open to nonprofits, is given to municipalities to disseminate as they see fit, rarely trickling down to nonprofits and charities.

In summary, we need to ensure federal funding flows to infrastructure projects that provide community and cultural benefits for the public.

Recommendation 3: Design infrastructure programs that are accessible to nonprofit organizations and are explicit in their inclusion of nonprofits and charities.

PROCESS FOR MODERNIZING THE RULES GOVERNING CHARITABLE AND NONPROFIT SECTOR

Finally, CCVO supports Imagine Canada's recommendation around implementing a fully-resourced process to explore a new legal and regulatory framework for charities and nonprofits. CCVO sees the government's commitment to, "...modernize the rules governing the charitable and non-for-profit sectors...[and develop] a new legislative framework to strengthen the sector..." as encouraging and an opportunity to re-imagine the role of the sector. However, we also recognize the complexity and wide range of implications this sort of change might bring about, thereby necessitating a robust process that includes broad consultation and partnership with the sector, and research resources devoted to understanding the options and implications.

Recommendation 4: The federal government should commit to a fully-resourced process to explore a new legal and regulatory framework for charities and nonprofits. This process should recognize the vital role umbrella organizations can play in convening the sector, and the importance of the Commons Standing Committee on Finance carrying out a detailed examination of any proposed reforms.

CCVO appreciates your consideration of this submission and representatives are available at your convenience to answer any questions or speak further on these matters.

Sincerely,

Katherine van Kooy
President and CEO