



2018 Alberta Pre-Budget Submission

On January 17, 2018, CCVO convened 25 community leaders for a budget consultation with Alberta's Minister of Finance, Joe Ceci and senior political staff from the Premier's and Minister's offices. The consultation provided insight into the sentiments of a diverse group – health, arts, sports, and social service organizations, as well as funders and community members – representing the nonprofit sector in the Calgary area.

The conversation highlighted four key areas for consideration in Budget 2018:

1. Reconsider the status quo of Government funding and programs.
2. Recognize the impact of legislation on nonprofit operating costs.
3. Invest in the capital infrastructure of small and medium-sized nonprofits.
4. Adjust key funding programs for inflation.

Alberta nonprofits deliver valuable community programs every day.

Participants spoke about current financial and operational challenges, and opportunities they see in their own organizations and the broader community to continue to deliver community programs. The discussion reinforced other input CCVO has received in advance of the budget. **Participants of the consultation highlighted the need for investment in mental health, capital infrastructure, technology, and energy efficiency.**

Thinking, and spending, differently.

Several participants encouraged the Government to reconsider its current revenue model in light of enduring fiscal challenges. It was suggested that the **Government of Alberta take a critical look at the status quo of current programs and funding of them to consider how existing funds could be spent better.** Participants suggested that the sector is ripe for innovation and creativity, supported by flexible, multi-year government funding and reallocation of existing budget dollars.

An updated Employment Standards Code is an important step forward, but comes with considerable costs.

The updated Employment Standards Code brings Alberta in line with workforce legislation in other Canadian provinces and makes strides in supporting a healthy nonprofit workforce. However, it has had a significant impact on nonprofit operations. Nonprofit leaders have expressed concern about increased direct and indirect costs arising from the changes to the Employment Standards Code. Organizations remain challenged by the tight implementation timeline, as well as sometimes limited staff capacity to adjust workforce policies and ensure compliance with this new legislation. **To support the quality of services available in the community, Government of Alberta funding agreements should be adjusted to account for higher operating costs as a result of the updated Employment Standards Code.**

Community facilities need improvements to maintain high-quality programs.

Changes to the Community Grants program in June 2017 reflect stronger Government of Alberta commitments to support core operations and build capacity in the nonprofit sector, in addition to recognition of the sector's infrastructure deficit. **Still, attention to the accessibility of capital infrastructure dollars is needed for small and medium-sized nonprofits that have facilities in need of major repair.** Without updated facilities, the quality of programs and services these organizations provide to Albertans is jeopardized.

The rising cost of doing business puts additional pressure on nonprofits.

CCVO commends the Government's decision to maintain spending on social services, and many of the programs on which nonprofits rely, throughout the economic downturn. However, flat funding over time erodes against inflation. Organizations must accordingly adjust to increased costs of doing business, including rent, cost-of-living wage increases for staff, and materials for their programs. These additional costs are not currently reflected in the funding available in the Community Grants programs and the Family and Community Support Services¹. **Nonprofit sector support and its sustainability rely on funding from the Community Grants programs and the Family and Community Support Services to be indexed for inflation.**

Looking towards Budget 2018.

CCVO appreciates Minister Ceci and staff for acknowledging the voices of nonprofit leaders during the budget consultation process and engaging in an open dialogue on January 17 in Calgary. **As budget priorities for 2018 are identified, we urge the Government to recognize the nonprofit sector's role in enhancing Albertans' quality of life.**

CCVO looks forward to learning how Budget 2018 will support the work of nonprofit organizations in Alberta. Our commentary and analysis of the Budget's impact on the nonprofit sector will be published after the Budget is released.

About the Nonprofit Sector

Alberta's nonprofits and charities play a vital role in our communities, delivering essential social and health services, providing opportunities to participate in sport, the arts and cultural initiatives, and stewarding our natural environment. The nonprofit sector supports a strong and thriving economy by providing education and workforce training, by supporting families with small children or aging parents, and by employing an estimated 125,000 Albertans.

About CCVO

CCVO promotes and strengthens the nonprofit sector by developing and sharing resources and knowledge, building connections, leading collaborative work, and giving voice to critical issues affecting the sector.

¹ (In thousands) Community Facility Enhancement Program (Budget): 2015-16: \$38,000, 2016-17: \$38,000 2017-18: \$38,000; Community Initiatives Programing (Budget): 2015-16: \$24,585, 2016-17: \$24,585, 2017-18: \$24,585; Family and Community Support Services (Budget): 2015-16: \$100,744, 2016-17: \$100,729, 2017-18: \$100,729