

June 26, 2020

Rt. Hon Justin Trudeau, PC, MP  
Prime Minister of Canada  
House of Commons  
Ottawa, ON K1A 0A6

Dear Prime Minister,

**Subject: Nonprofits and Charities need a Sector Resilience Grant Program**

Canada's nonprofit sector and those that work and volunteer within it are deeply valuable to our nation, at all times and particularly at this time. On behalf of Calgary Chamber of Voluntary Organizations (CCVO), I am writing to express my deep and growing concern that the federal government has yet to propose comprehensive policies or assistance aimed at helping nonprofits and charities in the face of COVID-19. **For vital services to continue, communities need further investment in Canada's nonprofits and charities through a Sector Resilience Grant Program.** This ongoing gap jeopardizes the services and support Canadians need to recover from this crisis.

CCVO is an advocate and champion of the nonprofit sector in Alberta, providing leadership on cross-cutting policy issues, convening leaders, and giving voice to critical issues affecting the sector. With more than 26,000 charities and nonprofit organizations in Alberta, the sector is a crucial partner in delivering services to Albertans and plays a fundamental role in making Alberta a desirable place to work and live. Canada's nonprofit and charitable sector is the second largest in the world, employing over two million people, with 80% women professionals, and contributing 8% of Canada's GDP.

In Alberta, and across the country, nonprofits have reduced revenues from their main source of funding – a combination of fundraising, grants, and earned income. Survey results from the Alberta Nonprofit Network support this claim, with 77% of nonprofits experiencing reduced revenue from fundraising and a 65% reduction from earned income. As we look across the country, the economic losses are even greater. Imagine Canada's national survey details that in April, 80% of charities were operating with decreased capacity and nearly one in five organizations had suspended or ceased operations. Financial losses for registered charities alone are projected to be between \$9.5 billion and \$15.7 billion. These statistics directly translate to diminished access for vital services that communities rely on to thrive. CCVO's own research supports these findings. In a report to be released on July 20 that collates research conducted in several provinces, it shows that nonprofits right across the country are feeling these impacts. The situation needs immediate attention.



Nonprofits and charitable organizations work together in a complex, interdependent system to fill critical gaps in response to their communities. Many of these services rely on longstanding relationships in communities, built on years of trust and experience, and work in concert with other nonprofit services. Once services collapse, it is not simply a matter of reopening doors and getting back to business.

Where organizations do survive, many programs will need to fundamentally shift or scale to make up for other programs that are no longer available. Many organizations will also need to retool to adjust to new needs and serve more people – and the vast majority will be making these changes with much less funding.

Among the services that are in jeopardy if the government pursues its current approach:

- **Child care services, after school programs, and day camps.** These are vital to ensure parents are able to return to work. Charities and nonprofits need to be in a position to offer these services, the absence of which will disproportionately affect women and single-parent families.
- **Services to racialized populations and social justice support.** Urban Indigenous, black, and immigrant communities have been particularly affected by the pandemic. Our sector is the primary provider of skills, language and literacy training, justice and social equity support, anti-racism resources and programs, as well as advocacy for these communities.
- **Mental health services.** Whether by directly providing mental health services, or providing Canadians with a semblance of normalcy (e.g. through amateur sports or arts), our sector will be at the forefront of helping Canadians cope with the experience we have all shared.
- **Services to people with disabilities.** Charities and nonprofits ensure people with disabilities have a voice through advocacy efforts and a valuable place within society through career support, social activities, training, accessibility workshops, and more.
- **Environmental sustainability.** These organizations are crucial for creating the kind of recovery Canadians want. From the preservation of ecosystems, to the protection of threatened species, and the development of sustainable solutions for communities, their work needs to continue.
- **Services to seniors.** Services provided by these organizations help seniors deal with isolation imposed by the pandemic and the resultant deleterious mental and physical health consequences.
- **Health services and support.** These organizations play an important role in preventative care, matching individuals to the right services, and providing support that enables individuals experiencing health problems to enjoy a higher quality of life.
- **Support for women.** Charities report that domestic violence is intensifying under lockdown, with additional support needed to engage children who are experiencing violence at home. Women and their families will need additional support to find safety and support.

At the outset of the pandemic, our sector identified the need for a grant program to ensure that organizations are able to survive, adapt to changed circumstances, and position themselves to actively contribute to the recovery. The financial measures announced so far have met a portion of what is required for those who are eligible, but much remains to be done.



The Sector Resilience Grant Program would deliver financial support to charities and nonprofits so that these organizations have the liquidity and financial support required to maintain services and operations to offset the collapse of revenue streams due to COVID-19. It would cover the costs of personal protective equipment, information technology, and ensure capacity to reopen during the recovery period in order to serve vulnerable populations and communities in Canada.

We urge you to work with your colleagues – primarily the Minister of Finance and the Minister of Families, Children, and Social Development – to finalize and implement a grant program that recognizes the unique situation facing charities and nonprofits, the efforts they have continued to make to serve their communities in unprecedented circumstances, and the role that they can and must play in Canada’s recovery from COVID-19.

Nonprofits and charitable organizations will need to be supported with critical investment over the next 12- to 24-month period. It will be crucial that any policy decisions reflect not only the short-term, but also the long-term needs of the sector across the country.

We look forward to your response.

Sincerely,

A handwritten signature in black ink, reading 'K Ball', is positioned below the word 'Sincerely,'.

Karen Ball  
Interim President & CEO