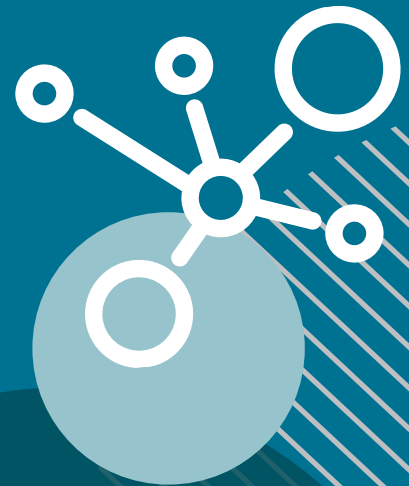


# PILLAR NONPROFIT NETWORK

2024 ONTARIO  
PRE-BUDGET SUBMISSION:

INVESTING IN NONPROFITS  
FOR A MORE AFFORDABLE,  
MORE RESILIENT ONTARIO

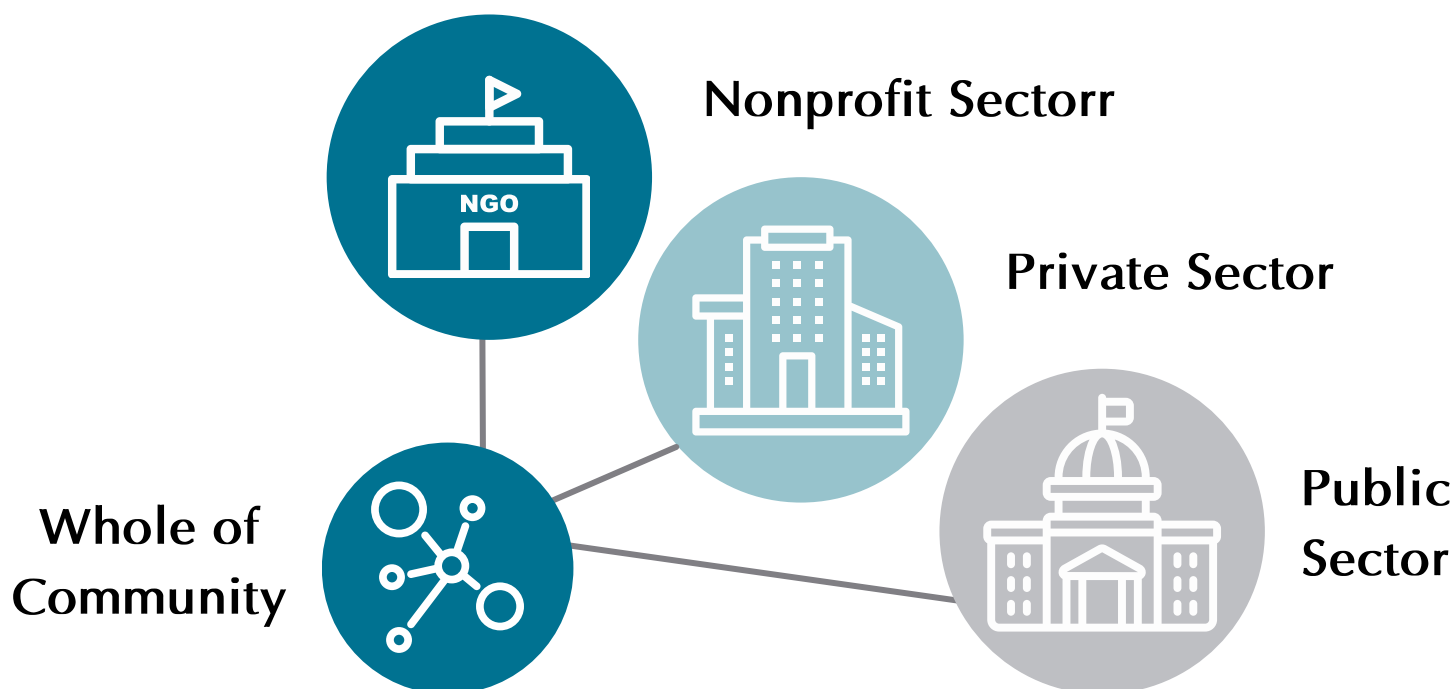


**PILLAR**  
nonprofit network

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# A MESSAGE FROM OUR CEO



Dear Minister Bethlenfalvy and members of the Standing Committee on Finance and Economic Affairs,

Thank you again for the opportunity to share Pillar Nonprofit Network's insights and ideas with the Parliamentary Secretary in St. Thomas in December about our hopes for Ontario's 2024 budget. I am pleased that you have also heard directly from many members of Pillar Nonprofit Network, both at the Parliamentary Secretary's hearings and from your own visit to London earlier this month. As you know, Pillar member organisations work in a multitude of issue areas – arts and performance, environment, youth sports, transitional housing, and a myriad others. We have encouraged each of our member organisations to share their expertise and ideas with you, individually, or through their associations, and we always incorporate their wisdom into our own recommendations to government.

I'm grateful for this opportunity to set those recommendations to paper in this written submission, as I promised to do. At Pillar, we see many ways in which a strong and resilient nonprofit sector can support the government's priorities, especially "to help address ongoing economic uncertainty and build critical infrastructure in growing communities while laying a strong fiscal foundation for future generations."

Though informed by our members' insights and experiences, our own submission focuses on issues that apply across the nonprofit sector. We are grateful for the wisdom of our regional partner networks across Ontario, including the Ontario Nonprofit Network, with whom we know you also work closely. We are endorsing many of the recommendations they are making, but also illustrating how pan-provincial and pan-sector issues are being felt here in London and Southwestern Ontario, the communities we know best and help care for.

As you may recall, organisations in London from all sectors are currently engaged in a whole-of-community response to a homelessness crisis that no single sector can solve on its own. Nonprofits, naturally, will play a central role in delivering on the proposed solutions, just as nonprofits have always worked to build strong, connected, and prosperous communities -- in good times and in bad. And there is a critical role for government as well, at all levels of jurisdiction. We believe this sort of cross-sectoral collaboration is the way forward to address the economic and social challenges we all face. In the following pages, we propose investments in Ontario Budget 2024 that move beyond emergency response and help to build an ever-ready, resilient nonprofit sector, a partner to government, delivering innovative solutions on public priorities in a collaborative way.

Sincerely,

Maureen Cassidy,  
CEO, Pillar Nonprofit Network



# OUR RECOMMENDATIONS



1

**Invest immediately in reducing demand for nonprofit services by doubling social assistance rates.**

2

**Establish a home in government for the nonprofit sector to work efficiently with the over 58,000 nonprofits, charities, and grassroots groups in Ontario.**

3

**Future-proof Ontarians' social infrastructure with investments that reflect true cost of service delivery to take the pressure off of institutional settings, like hospitals and long-term care.**

4

**Address the nonprofit human resource crisis to ensure Ontarians have access to community support.**

5

**Make government activities deliver twice as much for communities by implementing strategies for community benefit agreements and social procurement.**

6

**Enable communities to develop the infrastructure they need with access to capital and lands.**



# INTRODUCTION



As the Ontario Nonprofit Sector has reported, “Ontario’s nonprofit sector is at a tipping point, and the time has come to heed the sector’s budget recommendations.” Where we might once have celebrated saving for a rainy day, the clouds have opened and the rain is upon us.

Every day in our region we hear stories of deprivation, of Ontarians going without the care they deserve. And stories of organisations struggling to meet rising demand in the midst of cascading crises, from public health emergencies to human resources crises, to a generosity crisis.

For example, this week we’ve learned that the local Children’s Aid Society has had to send 51 children, including infants, out of area because of a foster parent shortage, a circumstance repeated across Ontario. We’ve also learned that child care centres may close because of an inability to attract and retain workers and an unsustainable funding model; a local affordable housing complex is in financial and governance trouble; the regional Alzheimer’s Society can’t keep up with ‘unheard of’ dementia rates and demand for services; and local systems are not meeting the demand for ESL classes. Public health officials are warning of catastrophic food insecurity in the counties that make up our region. In Elgin and Oxford counties, 1 in 5 people “lacks consistent access to an adequate supply of nutritious food due to financial constraints.” In London and Middlesex it’s 1 in 6, but growing worse according to our Medical Officer of Health, and the London Food Bank has “recently warned of a potential collapse in the food bank network in the province as demand outstrips donations.”

**“Every month is a new record. . . . This isn’t just a problem of hunger, this is a five-alarm fire. As somebody who was a firefighter for 30 years I can say that’s what we have, We have not just reached a time of real crisis. We’re reaching a time when food banks might start to fail.”**

~ Glen Pearson,  
Co-Executive Director, London Food Bank

“This is the news of the week in our network and region. Last week was no better, and next week may be worse yet.

All of those affected organisations are deeply embedded in Ontario communities and also in government policy. But we are long past a time when government could easily replicate the knowledge, competencies, and services of our region’s nonprofit organisations. Nonprofits are an essential part of government policy and programs and the last line of defence against a disconnected, underserved population that puts even further strain on government assistance programs and government-funded institutions like hospitals, treatment centres, correctional facilities, long-term care, and child care.

Maybe we can make it through another budget cycle the way we’re going, and maybe we can’t, but to build a strong fiscal foundation for the province – to build the critical infrastructure we need for an affordable, resilient, and growing province – **the best time to invest in the best solutions is now**. Our recommendations are centred on the ways government and the nonprofit sector can work together for a safe, secure, and prosperous Ontario for all of us.



# DETAILED RECOMMENDATIONS 1-2



## 1 **Invest immediately in reducing demand for nonprofit services by doubling social assistance rates.**

In their pre-budget campaign, “Make it Livable,” our local United Way has garnered close to 1000 signatures in support of a call on the government to include allocations in the 2024-2025 budget that will:

- double Ontario Works (OW) and Ontario Disability Support Program (ODSP) rates to bring people’s income above the official poverty line; and
- index both ODSP and OW rates to inflation.

2021 reports indicate Canada’s overall poverty rate is 7.4%, Ontario’s poverty rate is 10.2%, and the Elgin and Middlesex poverty rate is 15.2%, with 1 in 4 kids in Elgin-Middlesex living in poverty. Our province and region are falling behind and, of course, poverty is disproportionately impacting Indigenous Londoners, newcomers, and immigrants.

This puts additional strain on nonprofits serving government, including hospitals, other health care settings, and the justice system, and also creates unmanageable demand on nonprofits doing poverty alleviation, health care, housing and homelessness work, mental health services, and more.

An investment in Ontarians receiving social assistance would reduce demand for government and nonprofit services, allowing both to shift out of crisis mode. It would also serve as a de facto stimulus program for local economies since social assistance payments would be chiefly cycled back into local businesses, increasing prosperity for those Londoners near to the margins, including small business owners. We endorse the recommendations of the United Way Elgin Middlesex.

## 2 **Establish a home in government to efficiently work with the over 58,000 nonprofits, charities, and grassroots groups in Ontario.**

The multi-dimensional causes and impacts of poverty is just one issue that requires a coordinated whole of community approach. We join the Ontario Nonprofit Network in recommending government create an Associate Minister-level appointment within the



# DETAILED RECOMMENDATIONS 2-3



Ministry of Economic Development, Job Creation and Trade, supported by a Deputy or Assistant Deputy.

This would, at a minimum, allow for the reduction of red tape and other inefficiencies in the interactions between nonprofits and the 16 ministries with which they typically interact. It would also allow the anticipation and elimination of unintended consequences in government policy with the multi-disciplinary expertise of the nonprofit sector informing departmental and interdepartmental decision-making.

## 3

**Future-proof Ontarians' social infrastructure with investments that reflect true cost of service delivery to take the pressure off of institutional settings, like hospitals and long-term care.**

- Transition to stable, adequate, long-term, and flexible operational funding for nonprofits that reflects the true cost of delivering services and programs, keeps pace with inflation, responds to emerging needs, is on par with the public sector delivering similar services, and reduces administrative burdens. This is particularly important for transfer payment agreements involving nonprofits serving equity-deserving groups, including Black and other racialized communities; First Nations, Inuit, Métis, and urban Indigenous communities and organisations; and persons with disabilities, women, 2SLGBTQIA+ people, youth, newcomers, and low-income individuals and households.
- With especial urgency, we echo the call from Ontario's developmental services agencies for #5toSurvive – an immediate 5% boost to developmental services agency core funding, as well as Passport and Special Services at Home to ensure they can deliver on Ontario's current vision that people with developmental disabilities will be "supported by their communities, support networks and government to belong and live inclusive lives." (Ontario's Journey to Belonging: Choice and Inclusion)
- Make nonprofit business models the preferred choice for delivering effective and efficient programs and services to leverage "the nonprofit difference" in publicly-funded services as articulated by the Ontario Nonprofit Network.



# DETAILED RECOMMENDATIONS 4



## 4

### **Address the nonprofit human resource crisis to ensure Ontarians have access to community support.**

The sector employs 844,000 people and contributes \$65 billion to our province's GDP, \$2.18 in GDP impact for every \$1.00 of investment. This magnitude is equivalent to many other industries in Ontario, such as manufacturing and automotive, and we can't afford to leave such a sizable part of the economy struggling.

Our own research, conducted in concert with the Elgin Middlesex Oxford Workforce Planning and Development Board shows that while all sectors are facing labour challenges, care economy employers and nonprofit sector employers are especially struggling to attract, hire, and retain workers. While it's widely agreed that Canada did not face a "Great Resignation" after all, the Canadian nonprofit sector and our local nonprofit sector is most definitely still experiencing one. (See [London Area Employers in the Care Economy Facing Significant Labour Challenges](#) (June 7, 2022); [New Report Shows Area Nonprofits Face Steep Workforce Challenges](#) (October 28, 2022); [New Report Shows Area Nonprofits Still Struggling with Workforce Recovery](#) (May 30, 2023).

- Allocate funds to support the development of a sector-wide labour force strategy and workforce development plan. The strategy would include promoting careers in nonprofits and creating opportunities for workers to attain in-demand skills.
- Phase in wage parity with annual instalments for similar groups of frontline workers across municipalities, hospitals, schools, and community settings to achieve equal pay for equal work in four years.
- Fund a Provincial Action & Recovery Strategy for Volunteerism through volunteer centres to deliver enhanced capacity building for nonprofits and public engagement to address volunteer shortages as articulated by Volunteer Toronto.
- Build on the recent removal of fees for Criminal Record Checks and Judicial Matters Checks by removing fees for vulnerable sector police record checks to expedite volunteer deployment.



# DETAILED RECOMMENDATIONS 5-6



5

## **Make government activities deliver twice as much for communities by implementing strategies for community benefit agreements and social procurement.**

- Leverage work already done by community benefit networks across Hamilton, London, Niagara, Peel, and Ottawa and introduce a provincial community benefits strategy that embeds community benefit agreements in all major public infrastructure and housing development projects and facilitates progress in responding to the Truth and Reconciliation Commission of Canada's Call to Action #92.
- Include a social procurement policy that commits to purchasing from nonprofit social enterprises and co-operatives and applies to the entire provincial government and broader public sector, in the Ontario Public Sector Supply Chain Strategy.

6

## **Enable communities to develop the infrastructure they need with access to capital and lands:**

- Create an inter-ministerial committee to eliminate barriers between government departments to streamline the support of mixed use developments that further various policy objectives (e.g., supportive housing, child care, long-term care, etc.).
- Expand and expedite nonprofit access to capital through programs such as the Infrastructure Ontario loans program or other rotating loan funds. This will facilitate the acquisition, preservation, or repurposing of faith buildings and other nonprofit real estate, as well as child care centres, long-term care homes, and deeply affordable housing.
- Make below-market financing available to nonprofits building community infrastructure (e.g., developments that locate child care next to housing or other complementary community services).
- Create a cross-ministerial pooled fund to backstop loan guarantees by municipalities who know their communities' needs best for nonprofit development.
- Make surplus lands and assets available to nonprofits and nonprofit co-operatives.
- Support Indigenous communities and nonprofit organisations to expand their access to lands for programming, land-based learning, and ceremony.



# CONCLUSION



Ontario nonprofits are a sizable economic driver and an essential part of Ontario's potential for growth and prosperity for all. But this benefit is lost if nonprofits are allowed to fail and government is thrown into crisis, staving off emergency conditions for Ontarians. The sector is ready and able to walk alongside government to bring the best of both sectors to community solutions. When Ontario's nonprofits reach their full potential, Ontarians will, too.



# ABOUT PILLAR NONPROFIT NETWORK



For more than 20 years, Pillar Nonprofit Network has championed cross-sectoral collaboration between and among governments, businesses, and the nonprofit sector as the three pillars of community impact and positive change.

Our mission is to strengthen, through a heightened equity lens, individuals, organisations, and enterprises that are invested in positive community impact and we envision an engaged, inclusive, and vibrant community.

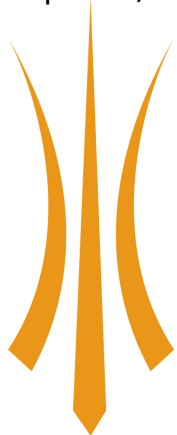
We deliver on our mission by increasing awareness of nonprofits and social enterprises as social and economic drivers; supporting them to develop inclusive workplaces; facilitating collaboration through a network approach that connects nonprofit organisations to each other and business and government; and finding new ways, programs, and services to address our community's most persistent challenges

Representing thousands of people working in hundreds of organisations, we are a network of nonprofits, charities, foundations, , cooperatives,

social enterprises, social financiers, responsible investors, innovators, and caring individuals engaged in community care.

We operate in London, Ontario and serve people and organisations on lands long stewarded by the Chonnonton, the Anishinaabeg, the Haudenosaunee and the Lunaapeewak, and accountable to the the Nanfan Treaty of 1701, the Upper Canada Treaties, the #2 McKee Treaty of 1790, the #6 London Township Treaty of 1796, the #29 Huron Tract Treaty of 1827, and Dish with One Spoon, and we seek to harmonize colonial systems of governance with self-governance of Indigenous Peoples for a truly inclusive, prosperous, and resilient community.

We look forward to seeing evidence in Budget 2024 that the sector has been heard and getting to work with you on making Ontario better for those who live here now and those who will in future.



**PILLAR**  
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For more information:  
Paul Seale, Manager of Public Policy,  
Advocacy, and Impact  
Tel: 519-433-7876 ext. 235  
Email: [policy@pillarnonprofit.ca](mailto:policy@pillarnonprofit.ca)