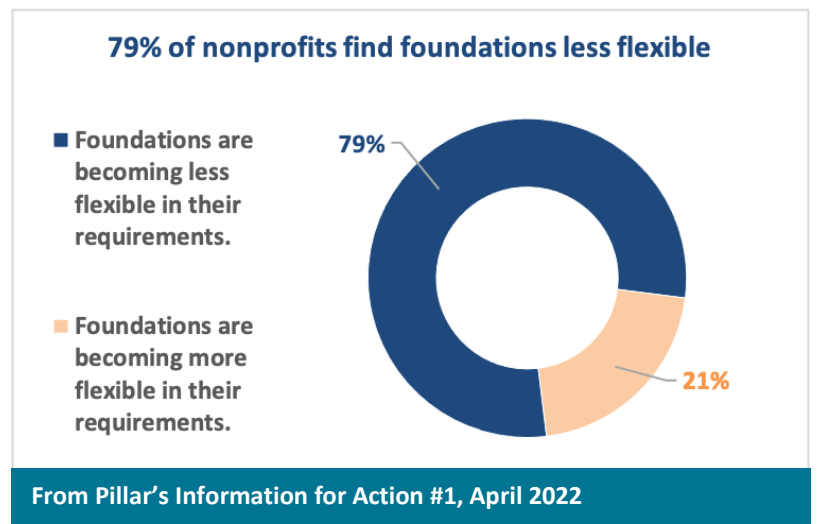


Why it's important to transform charity & philanthropy in Canada:

Intersecting constraints on the potential of the nonprofit sector

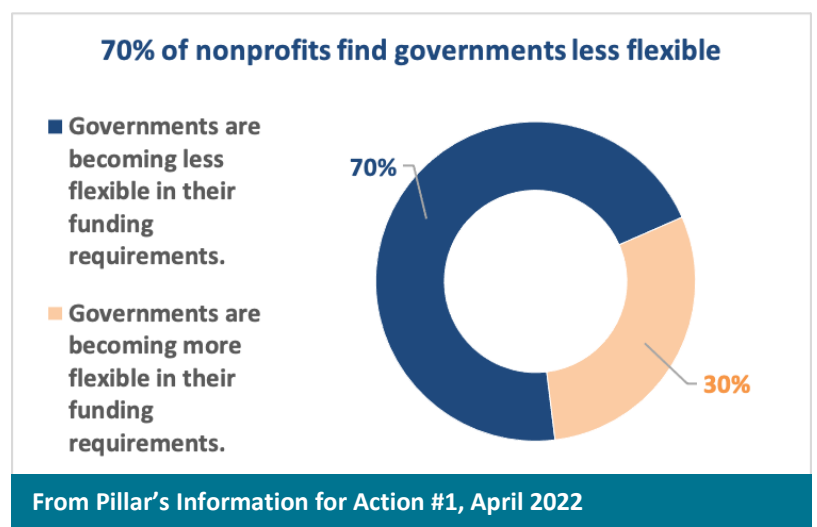
- A historically low disbursement quota relative to similar jurisdictions
- Nonprofits are incentivized to spend resources on attaining charitable status
- A charitable sector rooted in colonial purposes and harms (lacking trust in equity-deserving communities and nonprofits led by equity-deserving communities).
- Restricted 'program' funding has eclipsed 'core' funding, depressing worker retention & organizational capacity to deliver programs (e.g., leases, digital tools, even stationery).



Why it's even more urgent to unleash the power of nonprofits now:

Cascading crises mean that enabling measures are needed urgently

- The pandemic disrupted volunteerism; interrupted earned revenue; widened the digital divide; and magnified the need for services, especially for and by equity-deserving people.
- Urgent redirection of resources, the end of relief programs, and emergent issues like inflation and falling donor participation are creating an under-recognized 'pandemic echo.'
- Rekindled recognition of racism and oppression as real crises brings welcome demands for rapid change but, without expertise in the charitable and philanthropic sector about how to better distribute resources, 'strategic funding' is failing the sector.



What we need from you and other Members of Parliament and of government:

- Support for Bill S-216 and interim measures in Budget 2022
- Support for further increases in the Disbursement Quota
- Enabling social enterprises & cooperatives for a more sustainable impact sector
- A nonprofit home in government

What our local nonprofit members are saying:

Just this month, Pillar Nonprofit Network conducted a micro-survey of its members to learn how the funding ecosystem is working or not working over the first two years of the pandemic. See the next page to read what they told us in their own words.

In their own words, From Pillar's Information for Action Survey #1, April 2022

"Many funders switched exclusively to COVID relief and recovery but we don't deal directly with vulnerable populations so **we are not eligible**, and they don't offer anything else."

"Turned down for funds for update to website."

"Foundations ... are restricting the funding streams making it more difficult for us ... to find funders. Many corporations dropped funding opportunities completely or focused on Pandemic assistance and health care."

"Because we don't have a ... payroll we were ineligible for federal covid19 support."

"We have access to covid specific funding, but we are unsure of our future once this funding goes away. Our service utilization rates have increase 60%-151% across our departments and **we won't be able to keep up** with demand without this

"We are always applying for new funding because the funders love 'new projects' and that's how we keep our staff employed. Churn baby churn."

"Our financial position improved in the first year of the pandemic, but has worsened since."

"The 'qualified donee' aspect remains a challenge. You have to either go for charitable status for so many opportunities or partner with a charity."

"COVID relief funding has been...sustaining us through the pandemic, but as...language about the pandemic changes from emergency support to status quo, we are not yet in a secure enough financial position to apply for standard funding pots. Our revenue streams have not - and will not - recover and we have not had enough time to establish new revenue streams that will sustain us to historic levels. so **we're treading water** - but with less staff and resources - pretending that it's 2019 without the capacity to operate at 2019 levels."

"It is almost not worth it to seek some government funding, as the requirements to prove that you spent and received every penny of every project makes the admin incredibly time consuming and tedious."

"Foundations/government are not responsive to continuing coalitions and partnerships that were created during COVID. Funding continues to be tied to individual one-off programs and tied to specific non-profit organizations who may not have the administrative support required to administer the funding, which could be spread between multiple parties."

"As we are a volunteer charity with no permanent employees, we do not qualify."

"No core funding."

"Funding doesn't cover the cost of operations."