

STABILIZING ONTARIO'S NONPROFITS TO REBUILD ONTARIO POST COVID-19

Imagine communities without nonprofits and charities - no summer camps, no minor softball or soccer clubs, no museums, art galleries or theatres, mental health services, women's shelters, immigrant services, community health centres, food banks, nonprofit housing. Every Ontarian has benefitted from at least one service or program of a nonprofit or charity.

Yet, the sector is at a precarious tipping point. ONN estimates the sector's economic losses are in the range of \$1.8 billion in just the first three months since emergency closures.

The pandemic means Ontario's nonprofits and charities face imminent closure, and the losses will be devastating to Ontario communities, large and small. We cannot afford for the nonprofit sector to collapse. We must invest in organizations now.

This is not about emergency funding. As the Ontario government makes plans to reopen the province, the window of time is closing to help stabilize nonprofits and charities, and ensure they are ready to rebuild the economy and communities.

The solution: Working together with government

ONN recommends:

- 1. The Ontario government create a stabilization fund of \$680 million for the nonprofit sector to ensure that nonprofits and charities can help rebuild the economy and communities.** This funding can come via the unallocated portion of the \$3.7 billion set aside for "Supporting People and Jobs" in Ontario's COVID-19 Action Plan, through a simple application process administered by the Ontario Trillium Foundation.
- 2. The Ontario government create a nonprofit advisory table to inform the Cabinet committee on the economic recovery.**

Gaps in current government supports

Revenue streams have taken a major hit, and current government supports - from all levels of government combined - will not reach all nonprofits and will not be enough.

Federal mitigation measures to date translate to approximately \$883 million of relief for the Ontario nonprofit sector. Provincial measures add up to about \$237 million. It is not a matter of cutting into profit margins for these organizations; any loss of ticket sales, donations, event sponsorships, or service revenue translates immediately into pay cuts, layoffs, and closures.

Fallout for Ontario's economy

Nonprofits are not just about service delivery: the sector contributes \$50 billion to Ontario's GDP. Any shrinkage in the nonprofit sector's economic activity will not only devastate clients and community members - it will also have a direct effect on the economy.

Recovering and rebuilding

People and communities are relying on nonprofits for support during COVID-19 and will continue to rely on their community expertise and experience in the recovery phase. From housing supports, health care, job training, child care access, mental health supports and more, Ontarians will need local partners in the recovery phase. Nonprofits are already positioned on the ground and across the province to serve.

Stabilizing the nonprofit sector with a \$680 million fund can save thousands of jobs, mitigate the impact on local economies, and prevent downstream costs from deterioration of health and well-being caused by the pandemic.

Our communities need nonprofits and charities to survive. Our governments need these organizations to make communities thrive again.

[Read ONN's proposal for a \\$680M stabilization fund.](#)

Share your reasons for why Ontario's nonprofit sector needs to survive and thrive through social media by using [#680millionreasons.](#)

About Ontario's nonprofit sector

- 58,000 nonprofits and charities
- 1 million workers, 80% of whom are women
- \$50B to Ontario's GDP
- 5 million volunteers
- Nonprofits receive less than 1/2 of revenues from all levels of government combined