



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

June 9, 2020

Subject: Nonprofits and Charities need a Sector Resilience Grant Program

Dear Prime Minister:

On behalf of the Ontario Nonprofit Network (ONN), we are writing to express our deep and growing concern that the federal government has yet to propose comprehensive policies or assistance aimed at helping nonprofits and charities face 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.

ONN is the independent network for the 58,000 nonprofits and charities in Ontario, focused on policy, advocacy and services to strengthen the sector as a key pillar of our society and economy. We work to create a public policy environment that allows nonprofits to thrive. We engage our network of diverse nonprofit organizations across Ontario to work together on issues affecting the sector and channel the voices of our network to government, funders, and other stakeholders

In the province of Ontario, ONN estimates that economic losses for the nonprofit sector are in the range of \$1.8 billion in the first three months since emergency closures. This becomes more pronounced as we look across the country. Imagine Canada's national survey notes that in April 80% of charities were operating with decreased capacity and nearly one in five organizations had suspended or ceased their operations. It is projected that the financial losses for registered charities alone will be between \$9.5 billion and \$15.7 billion. This does not include nonprofits that do not have charitable status, including grassroots and community organizations.

Nonprofits and charities work together in a complex, interdependent system to fill critical gaps in response to the needs of 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 will need to retool to adjust to new needs and serve more people, and the vast majority will be doing this with much less funding.

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

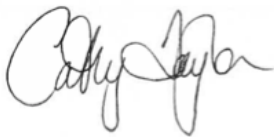
- **Child care services, after school programs, and day camps.** These are vital to ensure parents are able to return to work. Charities and nonprofits need to be able to continue offering these services, the absence of which will disproportionately affect women and single-parent families.
- **Services for racialized populations and social justice support.** Urban Indigenous, Black, and immigrant communities have been particularly affected by the pandemic. The nonprofit 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 inclusive programs that enrich their lives (e.g., amateur sports or arts), the sector will be at the forefront of helping Canadians cope with the impacts of COVID-19.
- **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.** Nonprofit services help seniors deal with isolation caused by the pandemic and the resulting 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 challenges 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 services to find safety and care.

At the outset of the pandemic, the nonprofit 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 to date 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 complement the Canada Emergency Wage Subsidy by providing core operating support to a wide range of organizations, helping them to continue to respond to rising community needs and costs. This core support would partially offset the collapse of revenue streams due to COVID-19 used to cover costs like personal protective equipment, information technology and innovative ways of delivering services while physically distanced, rent, and utilities.

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 nonprofits and charities, the efforts they continue 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 will need to be supported with critical investments over the next 12-24 month period. Canada’s nonprofit sector plays a vital role as an economic driver, contributing 8 percent of the national GDP, and employing over 2 million people, with 80 percent women workers. It will be crucial that any policy decisions reflect the short-term and long-term needs of the nonprofit sector across the country.

Sincerely,

A handwritten signature in black ink, appearing to read 'Cathy Taylor', written in a cursive style.

Cathy Taylor
Executive Director
Ontario Nonprofit Network

Copy to:

The Honourable Bill Morneau, Minister of Finance

By email: bill.morneau@parl.gc.ca

The Honourable Maryam Monsef, Minister of Women and Gender Equality Canada and Rural Economic Development

By email: minister-ministre@swc-cfc.gc.ca, Maryam.Monsef@parl.gc.ca

The Honourable Carla Qualtrough, Minister of Employment, Workforce Development and Disability Inclusion

By email: Carla.Qualtrough@parl.gc.ca

The Honourable Ahmed Hussen, Minister of Families, Child and Social Development

By email: Ahmed.Hussen@parl.gc.ca