

The Honourable Doug Ford, Premier of Ontario
By email: premier@ontario.ca

September 30, 2020

Subject: Building Back Better requires decisive action for Ontario's nonprofits and charities

Dear Premier:

As the new legislative session begins, communities across Ontario are looking for the Ontario government to take decisive action. Since March, ONN has been advocating and engaging with your government to ensure that crucial supports and financial investments are made to support nonprofits across the province during the pandemic.¹ We have had encouraging words in response, but little action to date.

This summer, ONN and l'Assemblée de la Francophonie de l'Ontario (AFO) undertook a survey of over 1,100 nonprofits on impacts of the COVID-19 pandemic on their organizations and communities three months into the crisis. We learned that 1 in 5 nonprofits are expected to close by the end of the year. This is coupled with challenges and pressures related to insurance, lost revenues and staff layoffs. However, nonprofits across the province have demonstrated incredible resilience, working with mutual aid networks and pivoting quickly and creatively to ensure that those in their communities can continue to be supported throughout the pandemic. The pandemic has created an opportunity to build on this resilience and "build back better" with Ontario nonprofits as a key partner.

Working together, ONN asks the Ontario government take decisive action in three areas:

- 1. Insurance protection for nonprofits.**
- 2. Create a stabilization fund of \$680 million for the nonprofit sector to ensure that nonprofits and charities can continue to meet their missions and serve their communities.**
- 3. A nonprofit advisory table to inform the Cabinet committee on the economic recovery.**

Further information on these asks:

1. Insurance protection for Ontario's nonprofit sector.

Nonprofits are struggling to re-open because of insurance costs, COVID-related exclusions and excessive burden of liability. We are requesting the Ontario government provide "Good Samaritan"

¹ Ontario Nonprofit Network government submissions <https://theonncan.ca/resources/submissions-government/>

liability protection to nonprofits that have acted in good faith as they reopen and follow public health guidelines. To be clear, we are not looking for protection from litigation if nonprofits have been negligent. The Ontario government has provided “Good Samaritan” relief to nonprofits operating in good faith before. For example, the Donation of Food Act ensured that those who donate food to food banks and other nonprofits were not held liable for damages related to the consumption of that food, and changes to the Health Protection and Promotion Act after SARS offered “Good Samaritan” protection to health professionals.² ONN has been raising this issue since June³ and there has been no action to date.

2. Create a stabilization fund of \$680 million for the nonprofit sector.

Since May, ONN has advocated for a \$680 million stabilization fund⁴ for the nonprofit sector. To date, the Ontario government has provided limited financial relief to the sector, namely:

- pandemic pay for frontline workers (some of whom work for nonprofit employers),
- the social service relief fund which helped some nonprofits, primarily food banks, with the majority of funds remaining with municipalities,
- \$1 million from the Ministry of Francophone Affairs for francophone organizations.

These targeted funds had some impact; however, given the size and diversity of the nonprofit sector, a more general relief fund is still needed to ensure the sector continues to contribute to job creation and the economy.

Our survey with AFO indicated that three quarters of nonprofits and charities did not benefit from provincial funding measures. Moreover, with the limited funds that nonprofits have received and economic challenges that COVID has generated, a financial investment in the nonprofit sector by would reduce the expected closure of 1 in 5 nonprofits by the end of this year, as well as signal the government’s commitment to ensure that communities can be sustained amid an impending second pandemic wave.

A stabilization fund for the nonprofit sector will ensure that nonprofits and charities, especially those unable to access federal and/or provincial supports, can continue to serve communities. There is an opportunity for the provincial government to work closely with the federal government and we would welcome joint contributions to meet the needs of Ontario nonprofits, which make up half of Canada’s nonprofit sector.

² See section 95 <https://www.ontario.ca/laws/statute/90h07#BK112>

³ See Letter to the Premier on COVID-19 Insurance

<https://theonn.ca/wp-content/uploads/2020/07/ONN-COVID-Insurance-letter-to-Attorney-General-June-17-2020.pdf>

⁴ ONN Stabilization Fund Proposal

<https://theonn.ca/wp-content/uploads/2020/05/ONN-Stabilization-Fund-April-30-2020.pdf>

3. Establishment of a nonprofit advisory table to inform the Cabinet committee on the economic recovery.

People and communities continue to rely on nonprofits for support during COVID-19 and will continue to rely on their community expertise and experience in the recovery phase that lies ahead. It is imperative that nonprofits are at the decision-making table to discuss their role in the long-term economic recovery and share voices of volunteers, nonprofit workers and their communities. The establishment of a nonprofit advisory table would offer the expertise and guidance from leaders across the sector and better inform government of what is needed to support nonprofits. It would also create sustainable pathways for nonprofits and government to work together to support communities across Ontario.

Conclusion

ONN and members of our network -- from community housing, arts groups, seniors' supports, soccer associations, health research nonprofits to child care centres -- have met with many representatives of the Ontario government since the crisis began. We have received encouraging words, but we have yet to see policies and investments that adequately support the sector. It is time for the Ontario government to respond to the crisis in the sector, or nonprofits will not be there for people when they need them.

The Ontario government must seize the opportunity today to ensure the survival and health of the nonprofit sector that virtually every Ontarian relies on in their day-to-day life. Thank you for your serious consideration.

Sincerely,



Cathy Taylor
Executive Director
Ontario Nonprofit Network

Copy to:

The Honourable Rod Phillips, Minister of Finance
The Honourable Peter Bethlenfalvy, President of the Treasury Board
The Honourable Todd Smith, Minister of Children, Community and Social Services
The Honourable Lisa MacLeod, Minister of Heritage, Sport, Tourism and Culture Industries
The Honourable Vic Fedeli, Minister of Economic Development, Job Creation and Trade
The Honourable Doug Downey, Attorney General of Ontario

Supporting Organizations:

