

The Honourable Karina Gould, P.C., M.P.
Minister of Families, Children, and Social Development
House of Commons
Ottawa, Ontario
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By email: karina.gould@parl.gc.ca

Re: Letter of congratulations

November 12, 2021

Dear Minister Gould,

On behalf of the Ontario Nonprofit Network (ONN), congratulations on your re-election as Member of Parliament for Burlington and your new appointment as Minister of Families, Children, and Social Development. We look forward to working with you in your critical new role to support and strengthen communities across the country.

As your government puts forth an invigorated policy agenda for Canada's pandemic recovery, we urge you to consider the nonprofit sector as a natural ally. The sector and your mandate have a shared commitment to using our collective resources to support the needs and priorities of Canada's diverse communities, and more generally, the public good.

About ONN

ONN is the independent nonprofit 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 to work together on issues affecting the sector and channel the voices of our network to government, funders, and other stakeholders.

Nonprofits play an essential role in Canadian communities during crises and beyond

Across urban and rural Canada the nonprofit sector plays an essential role in job creation, volunteer engagement, and programs and services that support the well-being of Canadians. The sector generates more than 8.1 per cent of the country's GDP, employing 2.4 per cent of the workforce¹ -- of whom 80 per cent are women, making us a women-majority sector.

As a sector, nonprofits receive less than half of their revenues from governments and reinvest all surpluses in their missions. They leverage government revenues through private grants and donations, the sale of goods and services, and volunteer efforts to create additional value for the

¹ Imagine Canada. "Everything you need to know about Canada's charities and nonprofits." August 20, 2021. <http://www.imaginecanada.ca/sectorstats>

communities they serve. Through their job creation and local spending activities, nonprofits generate considerable economic impact above and beyond the extensive social, cultural, and ecological value they provide to Canadians.

Nonprofits are also at the forefront of fighting the COVID-19 pandemic, leading vaccination efforts with hard to reach populations, and supporting communities into pandemic recovery. Many frontline workers in the sector are considered essential workers in essential services. Others in the sector are supporting communities with affordable housing, youth employment, and inclusive economic development. Arts and culture, sports and recreation, faith, and environmental organizations are ensuring community well-being is front and centre. All Canadians, especially those that have been disproportionately impacted by the pandemic - women, Indigenous Peoples, Black and racialized people, youth, seniors, and newcomers to Canada - rely on nonprofits.

The sector is a natural ally to government

As you know, Canada is headed into a decade of significant transformations and Canadians need an ambitious plan, based on principles of fairness, inclusivity, and sustainability, to match the scale of social, economic, environmental, and technological transformations heading our way.

“Forward. For Everyone” cannot be achieved without the partnership of the nonprofit sector. A true partnership can leverage nonprofits’ expertise, local infrastructure, and community-centered missions to build economic and social systems that work for everyone. Nonprofits are accountable to local communities, have higher levels of transparency, and reinvest profits back into their missions, ensuring taxpayer money is used effectively rather than leaked to shareholders.

Key actions that can enhance both the work of the sector and government priorities

- 1. Continue laying the building blocks for a Canada-wide child care system.** We commend your government’s historic investment in child care. We urge you to waste no time in signing the remaining provincial and territorial bilateral child care agreements, and ensure that they prioritize system building elements. This includes high quality jobs for early childhood educators and child care workers and limiting the expansion of new spaces to nonprofit and public sectors to ensure higher standards of care for families.² In addition to new operating dollars, targeted capital investments are needed to build new spaces quickly, retrofit existing ones, and support intermediaries that can scale up nonprofit child care services to navigate expansion and building processes (e.g., technical assistance and capital project financing experts).
- 2. Use ESDC’s recent consultations on Employment Insurance (EI) to modernize the program so employers and workers can thrive equally.** As an advocate for decent work for nonprofit workers, ONN strongly supports EI modernization. We support recommendations made by labour advocates to eliminate the waiting period, lower the qualification threshold, adjust rules

² Ontario Nonprofit Network. “Nonprofits Deliver Canada-Wide Child Care System.” June 2021. <https://theonn.ca/wp-content/uploads/2021/06/Nonprofits-Deliver-Canada-Wide-Child-Care-System-Briefing-Note-JUNE-2021.pdf>

to facilitate access for those who lose one or more of their multiple jobs, and increase the overall benefit rate as these changes will ensure more workers can contribute to and access EI. Additionally, ONN recommends a re-calibration of the EI Family Supplement low-income salary cut-off to reflect the official poverty line in Canada and implementation of an incentive structure for employers to offer maternity and parental leave benefit top-ups.³

3. **Establish a home in government for nonprofits and ensure they can continue to access pandemic and/or economic recovery supports so the sector can focus on serving communities.** We recommend establishing a central body in government that can coordinate policy, engage strategically with a diverse sector, and eliminate duplicate efforts. A home in government can better harness the sector's knowledge, expertise, local insights, and data. Federal supports such as the Canada Emergency Wage Subsidy, Canada Emergency Commercial Rent Relief, Canada Emergency Business Account, pandemic pay and the Emergency Community Support Fund have been lifelines for many nonprofits across the country during the pandemic. These programs limited many COVID-related closures, lost jobs, and disruption of services in communities. For this reason, it is imperative that any new federal COVID-19 supports and/or economic recovery programs are not only open to nonprofits, but also are designed with the sector in mind.
4. **Take action for communities via the Social Innovation Strategy and the Social Finance Fund to enable the scaling up of local, community-led solutions.** As a member of the CCEDNet People Centred Economy Group, ONN supports their recommendations in this area. As such, we urge you to focus the Social Innovation Strategy, and the Social Finance Fund in particular, on supporting community-led solutions to the biggest challenges of our time. Specifically, ensure that funds are accessible to nonprofit social enterprises, especially those that are led by Black, Indigenous, and other racialized groups. Nonprofit and cooperative associations/intermediaries, including those that prioritize equity-seeking groups (e.g., Black-led, Indigenous-led, and women-led social enterprise intermediaries), should be supported to enable small community nonprofits to take advantage of larger-scale investment streams. The focus must be on building community-owned assets that support inclusive, local, and green economies rather than subsidizing private capital and risk.

Next Steps

We welcome the opportunity to meet with you and your team at your earliest convenience to discuss how ONN and our network can act as a partner to the government in taking action on a refreshed mandate.

Sincerely,



Cathy Taylor, Executive Director, Ontario Nonprofit Network

³ Ontario Nonprofit Network. "Submission on Modernizing Canada's Employment Insurance Program." October 2021. <https://theonn.ca/wp-content/uploads/2021/10/EI-Consultation-Submission-to-ESDC-External-Oct-2021.pdf>