

Inflation hitting Ontario nonprofits and hurting communities

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ONTARIO NONPROFIT NETWORK

TORONTO, ONTARIO, CANADA, August 30, 2022 /EINPresswire.com/ -- New

province-wide data reveals inflation is a major challenge for 60 per cent of Ontario nonprofits and charities, and is driving up costs for over 80 per cent of organizations across the province. At the same time, demand for nonprofit services is higher than ever with three quarters of organizations reporting an increase, a jump of almost 60 per cent since 2020. While inflation is impacting all industries, when nonprofits are affected communities bear the brunt, as Ontarians rely on these organizations to provide critical services.

[The new data](#) comes from a bilingual survey conducted by L'Assemblée de la francophonie de l'Ontario (AFO) and the Ontario Nonprofit Network (ONN) to understand the year-over-year impact of the pandemic and rising inflation on the nonprofit sector, with responses from 1,500 nonprofits, charities and grassroots groups.

Typical financial remedies for the private sector do not necessarily apply to nonprofits and charities. While for-profits can increase prices and fees, many nonprofits do not charge for their services or offer significantly discounted pricing which means they don't have the same flexibility in pricing and cost-cutting, without affecting accessibility and quality of services.

Nonprofits continue to ring the alarm on the ongoing HR crisis, with 65 per cent of organizations struggling to recruit and retain staff, and over 60 per cent having lost volunteers, a vital foundation of the sector. Two-thirds of respondents report staff burnout and stress and skills shortage are preventing recruitment and retention, while half of the organizations identified wage disparity and non-competitive compensation packages as key barriers. As a result, essential programs and services have been scaled back and waitlists have increased, and some programs and services are being discontinued, including adult day care and family counselling, Meals on Wheels programs, and child care classrooms.

Sector leaders are calling for [public policy solutions](#) to mitigate challenges now, and also prepare

for future emergencies.

Nonprofits are getting people back to work after pandemic closures, and providing support for affordable housing, mental health and addictions programs, and settlement services. Local theatres and festivals, minor soccer leagues and day camps, and places of worship are bringing communities back to life after COVID-19.

“Communities with better social infrastructure find it easier to respond to, withstand, and recover from emergencies. If we lose our nonprofits, we lose the “community glue” that helps Ontarians thrive and we risk our economic, social, cultural, and environmental sustainability,” said Cathy Taylor, ONN’s executive director.

“Our organizations and governments worked well together during the pandemic, which saved a significant part of the network of Franco-Ontarian organizations. Today, we must all roll up our sleeves, as inflation and labour shortages are obstacles that can hinder the delivery of many important services to the population and the economic growth of the province,” said Carol Joli, president of L’Assemblée de la francophonie de l’Ontario.

The provincial organizations are recommending the Ontario government:

Support the sector by developing a nonprofit labour force strategy and workforce development plan.

Create a provincial volunteer recovery strategy to address the negative impacts of the pandemic on volunteerism and commit to removing fees for vulnerable sector police record checks.

Invest in nonprofits and grassroots groups serving equity-deserving communities.

For nonprofits that deliver services on behalf of the government, transition to stable, long-term, and flexible operational funding that reflects the true cost of delivering services and programs and keeps pace with inflation.

As a sector, Ontario’s 58,000 nonprofits receive less than half of their revenue from governments, which means they can leverage these public investments - via business activities, donations, and volunteer contributions - into programs and services that directly benefit the people of Ontario.

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