



BACKGROUNDER:

The Ontario Nonprofit Network (ONN) and the Nonprofit Sector -- Key Partners in Change

The Ontario Nonprofit Network (ONN) was organized in May 2007 in response to concerns about proposed changes to the Ontario Not-for-Profit Corporations Act (Bill 65). Since that time, sector support for the nonprofit network has continued to grow and ONN has emerged as a nonpartisan convener of sector voices, communication broker and coordinator for nonprofits in Ontario. We have increased collaborations with government, foundations and segments of the for-profit sector to support its mandate.

ONN's current network exceeds 6,000, with an estimated reach of 42,000 individuals who are committed to the sector in Ontario. Within the last six months alone, the network has grown by more than 50%, a strong indication of interest, credibility and commitment to ONN's work with and for the sector.

The ONN played an important role in the development of the [Government of Ontario's Partnership Project Report](#), released March 2011, submitting various sector-driven papers and participating in the launch of the Partnership Project Office. ONN continues to work effectively with the Ministry of Citizenship and Immigration to advance the Report's recommendations.

Other concrete examples of ONN's collaborative efforts with the Government of Ontario include:

- Provincial education and training campaign on the new provincial Accessibility Standards for Customer Service through funding from the Ministry of Community and Social Services.
- Submission made to the Drummond Commission regarding Ontario's nonprofit sector.
- Ongoing advisory support to the Ministry of Consumer Services on the new Ontario Not-for-Profit Corporations Act (Bill 65), and dissemination of clear language information on the Act to the sector.
- Continued work with Infrastructure Ontario (IO) to disseminate knowledge to the sector on the IO Loan program (eligibility requirements, criteria, loan terms and conditions) and how it may benefit nonprofit organizations' capital needs.
- Presentation on the nonprofit sector, challenges, opportunities and recommendations for reforms through the Open for Business Process.

In addition to engaging the provincial government, the ONN works collaboratively with the sector on promoting understanding of the nonprofit sector's role in communities, social enterprise, strengthening sector capacity, and labour force issues. Find out more about the breadth of ONN's activities on our website: www.theonn.ca.

The Nonprofit Sector in Ontario

The nonprofit sector in Ontario is an essential element in building and sustaining the province's civil society. It is a cornerstone of communities, providing important public-benefit programs and services. Organizations in the sector -- from environment, to arts and culture, sports and recreation, newcomer settlement, housing, social services, community development, education, research, faith groups and more -- affect almost all Ontarians, making our province a healthy, desirable place to live, work, and raise families.

The nonprofit sector is solution driven, resulting in:

- Innovation and collaboration on the ground, creating transformations in service delivery
- Improved community conditions and strong community stewardship
- Retention of publicly financed assets for long-term benefit of local communities
- Economic growth and job creation



The broad nonprofit sector in Ontario:

- Represents 7.1% of Ontario's GDP (equivalent to the auto and construction sectors' combined share of GDP)
- Mobilizes over 5 million provincial volunteers
- Provides over 1 million Ontarians with employment
- Includes 46,000 registered charities and nonprofits operating for the public benefit

The core nonprofit sector (excluding hospitals and universities) in Ontario:

- Represents 2.6% of Ontario's GDP
- Obtains 60% of revenue through earned income (e.g. fee for service and sales) supplemented by government funding (36%), donations and investment income (17%)
- Generates \$20 in donations and volunteer resources for every \$10 invested by government
- Supports over 600,000 Ontarians with employment

Key Sector Priorities:

Sector leaders and organizations across Ontario have identified a number of key priorities (below) to grow the impact of the nonprofit sector. These priorities will allow the sector to reach citizens and communities more effectively and strengthen the sector's ability to deliver efficient and relevant services, such as support for volunteerism and Ontario's civic engagement.

Increasing Partnership with the Government of Ontario

Building on involvement in and implementation of the Partnership Project, ONN seeks to continue strengthening this relationship and building new partnerships with the Government of Ontario on public service delivery reforms as a result of the Drummond Commission's Report. In this context, the Government must work with the sector to avoid the privatization of public services in Ontario.

Government of Ontario/Sector Funding Reforms

Slashing red tape and streamlining funding requirements will significantly reduce government administrative costs while freeing up resources in the sector for direct services to citizens and communities. This recommendation was provided to the Drummond Commission in the ONN's submission last November.

Improve Support for Communities and Volunteer Boards – Amend Bill 65

In its current form, Ontario's Not-for-Profit Corporations Act (Bill 65) limits the sector's accountability to communities and fails to support volunteer boards of directors and good governance practices in the sector. ONN has proposed tangible amendments to alleviate these likely challenges posed by the proposed legislation that removes barriers and enables the sector to do its work.

Social Finance Innovation

Pro-active regulatory and policy support for social enterprise and social finance will allow the sector to further diversify funding, and to increase its own sources of revenue. This will enable nonprofits to invest more in social and economic development in Ontario communities. Such support could include the creation of a social innovation lab within the provincial government with a mandate to develop innovative solutions across Ministries as part of the public service reform agenda.

Protection of Public Assets

Infrastructure Ontario support could provide opportunities to facilitate community involvement and control over its assets (land, day cares, prisons, long-term care facilities, etc.). The sector should be given "right of refusal" on the protection of public assets before they are sold to the private sector.