

Submission for the Pre-Budget Consultations in Advance of the 2023 Federal Budget

By the Nonprofit Federal Data Working Group

As organizations:

ANSWER.it Inc

CCVO (Calgary Chamber of Voluntary Organizations)

Canadian Centre for Policy Alternatives

Canadian Mothercraft Society

Canadian Women's Foundation

Community Sector Council NL

Edmonton Chamber of Voluntary Organizations

Imagine Canada

Ontario Nonprofit Network

PolicyWise for Children & Families

Skills for Change

Social Economy Through Social Inclusion

The Circle on Philanthropy

The Enchanté Network

Vantage Point

YWCA Toronto

As individuals:

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Bruce Martin, Thompson Rivers University

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Jacqueline Musabende

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Recommendation 1: We recommend that Statistics Canada be funded to create a nonprofit advisory committee with a mandate to improve data collection, analysis and release practices related to the sector. This committee must include meaningful representation of organizations from equity-seeking and rural, remote and Northern communities. Where appropriate, Statistics Canada should compensate representatives from the nonprofit sector for their work on this committee, particularly organizations from equity seeking communities that have been historically underrepresented in Statistics Canada consultations. The government should provide \$1 million in 2023-24 and \$650,000 in ongoing funding to support this work.

Recommendation 2: We recommend that the federal government provide Statistics Canada with a mandate to carry out a follow-up to the 2003 National Survey of Nonprofit and Voluntary Organizations, to be repeated every three years, and provide funding of \$5 million for 2023-24 plus \$1.5 million ongoing for this purpose. The survey should include grassroots (unincorporated) organizations.

Recommendation 3: We recommend that the federal government provide Statistics Canada with a clear mandate for data collection on the nonprofit sector. We further ask that Statistics Canada modify ongoing programs to better highlight the role of the nonprofit sector and that Statistics Canada undertake the following:

- A. Conduct a systematic review, in partnership with the nonprofit advisory committee, to identify existing programs that should be modified to produce nonprofit-specific information.
- B. Work with the provincial and territorial registrars to produce and maintain a comprehensive list of charities and nonprofits that can be incorporated into existing sample frames, where appropriate.
- C. Make nonprofits more identifiable in existing programs via measures such as designing sampling strategies to support the production of nonprofit-specific results and adding questions to identify nonprofits and those involved with nonprofits.
- D. Expand the application and improve the implementation of nonprofit-specific classifications such as the International Classification of Nonprofit Organizations across government departments and agencies.
- E. Ensure that data presentations from above-modified programs include nonprofit-specific tabulations.

Recommendation 4: We recommend that the federal government provides \$2 million in 2023-24 and \$500,000 ongoing funding for the creation of a Nonprofit Sector Data Lab. The Lab would be a partnership between the federal government and the sector.

Context

From quality child care to conservation and mental health services, nonprofits are present in communities across the country, improving quality of life. In addition to the sector's formidable social contributions, it is also a major economic driver. Charities and nonprofits contribute 8.3% to Canada's GDP and employ 2.5 million people.¹

Data plays an essential role in designing policies, planning interventions, anticipating changes and forecasting needs. For decades, the federal government has not regularly collected or released comprehensive nonprofit sector data. The few data points listed above reflect important strides that have been made over the past few years with more frequent updates to the Satellite Account of Non-profit Institutions and Volunteering and the sector's inclusion in the Canadian Survey of Business Conditions. However, we still lack basic information on many aspects of the sector and regularly must rely on data that is decades old. Where data exists, it is often not available in easily accessible or usable formats.

The impacts of this data deficit are wide-reaching. In times of crisis, such as designing COVID-19 emergency programs, policymakers don't have the data they need to make informed, timely decisions. In ordinary times, organizations struggle to plan for workforce needs, contextualize their challenges and advocate for solutions. During the 2021 federal consultation on the disbursement quota, for example, insufficient data hampered efforts to understand the implications of potential changes.

Additionally, what isn't counted gets overlooked. Sector leaders argued for years that our workforce was made up largely of workers from equity-seeking communities and that a strong nonprofit sector would improve the conditions of women, trans and non-binary people, immigrants, racialized and Indigenous peoples. However, we struggled to back up this argument with reliable data until recently, when Statistics Canada released detailed nonprofit human resources data for the first time in years. That data showed that women (77%), immigrants (47%), racialized populations (29%), and Indigenous workers (5%) are indeed overrepresented in the sector's workforce.²

Collaboration between the nonprofit sector and Statistics Canada

To rectify the current data deficit, the sector must work closely with Statistics Canada. The creation of a nonprofit advisory committee, similar to the agency's [other professional advisory committees](#), is a crucial element that will help ensure that data products related to the nonprofit sector are relevant, timely, and can facilitate critical decision-making. Nonprofit organizations will be more engaged and responsive, amplifying the data's impact. By working together and sharing our expertise, we can help:

¹ [Statistics Canada. Non-profit institutions and volunteering: Economic contribution, first quarter 2022](#)

² [Statistics Canada. Table 36-10-0651-01: Employment in the non-profit sector by demographic characteristic](#)

- Address long standing data issues (see recommendation #2 for details)
- Centre equity issues and ensure sensitive data is collected, analyzed, released and held in respectful and responsible ways
- Connect various data initiatives that relate to the nonprofit sector

The advisory committee must be representative of the nonprofit sector to ensure that it produces outcomes that meet the sector's needs and allows nonprofits to be partners in advancing equity, one of the goals of the disaggregated data action plan. A large percentage of sector organizations are small with no paid staff, often resulting in lower data literacy and capacity to participate in Statistics Canada consultations. Their perspective can help Statistics Canada understand how to deliver products in a way that is usable to this important segment of the sector. Additionally, organizations led by and serving racialized communities can provide insight into how to collect data on their communities responsibly. These organizations are often underfunded and have very limited capacity, so they will require support to meaningfully participate in the advisory committee.

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Detailed snapshot data on the nonprofit sector

In 2003, the National Survey of Nonprofit and Voluntary Organizations collected “essential baseline data about nonprofit and voluntary organizations, including their numbers and geographic distribution; their areas of activity, the populations they serve and the extent to which they provide public benefits; the financial and human resources on which they rely; and the problems they report about their capacity to fulfill their missions.”³ This survey was intended to be carried out on an occasional basis, but was only done once.

As a result, this nearly 20-year-old data is still the most up-to-date national data we have on many aspects of the nonprofit sector. While the Satellite Account of Non-profit Institutions and Volunteering provides us with some data about the size of the sector, it is insufficiently detailed to help us understand its makeup. In an era where society is recognizing more and more how crucial data is to making informed decisions, avoiding problems and finding solutions, this is an unacceptable situation.

³ [Statistics Canada. Cornerstones of Community: Highlights of the National Survey of Nonprofit and Voluntary Organizations \(2004\).](#)

Nonprofits must be meaningfully consulted on this survey to ensure it captures our operating realities. Special attention should be paid to small, rural, remote, Northern and equity-seeking community organizations.

Recommendation 2: *We recommend that the federal government provide Statistics Canada with a mandate to carry out a follow-up to the 2003 National Survey of Nonprofit and Voluntary Organizations, to be repeated every three years, and provide funding of \$5 million for 2023-24 plus \$1.5 million ongoing for this purpose. The survey should include grassroots (unincorporated) organizations.*

Improved ongoing data collection on the nonprofit sector

Despite its significant workforce and major contribution to Canada's GDP, Statistics Canada does not have a mandate to collect data on the nonprofit sector as it does with other industries. While the sector is in-scope for many existing Statistics Canada programs, it is largely invisible in much of the data they produce. There is significant potential to leverage already existing programs to collect more and better data about the nonprofit sector.

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Creation of a Nonprofit Sector Data Centre

The nonprofit sector is often unable to effectively access and apply the data that Statistics Canada produces, meaning that it is not being used to its full potential by the nonprofit sector, researchers or policymakers.

In February 2022, the government launched the Business Data Lab in partnership with the Canadian Chamber of Commerce. It aims to help small businesses monitor regional market trends, survey businesses quarterly on future trends, and help businesses owned by diverse segments of the population access focused research into their needs and opportunities.

The nonprofit sector stands to benefit enormously from the creation of a similar entity. It could increase the impact of data that is already being collected by providing user-friendly, easy-to-understand data products and offering programs aiming to democratize access to data, such as training workshops and learning resources. It is important that the data lab be freely accessible to the general public and have data governance mechanisms to protect the privacy of individuals and organizations whose data is available through the data lab.

Recommendation 4: *We recommend that the federal government provides \$2 million in 2023-24 and \$500,000 ongoing funding for the creation of a Nonprofit Sector Data Lab. The Lab would be a partnership between the federal government and the sector.*

About the Nonprofit Federal Data Working Group

This group includes representatives of 30+ nonprofit organizations and institutions. It focuses on advancing the nonprofit sector's priorities in terms of data collected by the federal government. In 2022, the group has focused on identifying challenges and advancing opportunities in seven areas: census data, labour market information, measuring diversity on nonprofit boards, the Disaggregated Data Action Plan, the Linked File Environment, the Satellite Account of Non-profit Institutions and Volunteering, and the Canada Survey of Business Conditions.

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