



**Community Sector Council**  
Newfoundland and Labrador

Accelerating Change

## **Let's Talk Budget 2022**

### **Written Submission to the Pre-Budget Consultations in Advance of the Upcoming Federal Budget**

**From**

The Community Sector Council  
Newfoundland and Labrador

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**The Community Sector Council Newfoundland and Labrador (CSC NL)** is a registered charitable organization committed to advancing the central role of the community sector in social and economic progress.

*Our vision is for an inclusive society that supports individuals, families and communities.*

*Our mission is to encourage citizen engagement, promote the integration of social and economic development and provide leadership in shaping public policies that support individuals, families and communities.*

The community sector is the heartbeat of communities. Often referred to as the nonprofit or voluntary sector, it comprises many thousands of organizations including charities, nonprofits, voluntary groups and social enterprises which are woven into every facet of our daily life. They offer everything from sports, recreation, social and health and mental health services, support to children, youth and seniors. They span arts, culture, heritage, environmental issues and housing. They provide support to vulnerable people, address poverty reduction and social justice. During the current pandemic they have stepped up to help make life better. Every single day we each benefit from the work of charities and nonprofits.

The community sector advocates for specific populations and draws attention to emerging and important issues. Of particular significance is the role that the community sector plays in driving economic activity. In much the same way as other small and medium-size businesses, nonprofits flow money back into the economy. They seed economic development. They are a primary employer in many communities. Nonprofits are frequently the nucleus around which other economic activity emerges. Think about the theatre group in a small community which attracts visitors to the region. In turn businesses emerge – accommodations, coffee shops, restaurants, craft sales, even local breweries.

A distinguishing feature of the sector is its labour force which is both paid and unpaid. The sector is community driven, led by hundreds of thousands of volunteers including those who serve on Boards of Directors and paid employees. It is a significant industry sector accounting for about 10% of employees in Canada. In Newfoundland and Labrador it is estimated that 16000+ people are employed annually.

**Recommendation 1: The federal government should clearly acknowledge that the community sector is a distinct sector which is central to economic and social progress and which has significant potential for supporting economic and social recovery.**

Too often policy statements and programs include the community nonprofit sector almost as an afterthought. *All programs designed to help stimulate economic recovery should clearly recognize the importance of community organizations as economic drivers.*

The community sector is local, regional and national in its framing and delivery. It is often the early warning signal identifying and responding to human and community issues. *Yet the sector is not sufficiently well-recognized as fundamental to recovery.* Most important delivery mechanisms should be locally and regionally based and not just through national organizations. *We encourage that federal funding programs always have processes through which local and provincial organizations may compete equally in applications.*

**Recommendation 2: Establish a Ministerial point of contact responsible for issues relevant to cross cutting community sector issues.**

Part of the challenge is that the operational framework of the sector is not well understood. The language of the sector and government do not always mesh. Many people do not appreciate that the nonprofit labour force includes both paid and unpaid people. All nonprofits have unpaid boards of directors. Many have paid employees. It is this synergy which makes the sector unique. It is also what enables the sector to act fast, to mobilize and to respond.

**Recommendation 3: Conduct an inventory of existing government programs and policies to determine what changes might be made to better align with rebuilding the economy in the new environment.**

It is important to focus on supporting core operations and administrative functions, sustaining operations, and building leadership strength and organizational capacity

**Recommendation 4: Increase allowable support for core operations and administrative functions of nonprofits, to sustain operations and build leadership strength and organizational capacity.**

The current attitude to limited support for administration is detrimental and is counter to good management.

**Recommendation 5: Overhaul many granting policies which do not support innovation, flexibility or nimbleness.**

Often from the time of conception of good ideas the contractual process gets weighted down in mind numbing minutia which is an extraordinary drain on small often cash starved and human resource challenged organizations.

**Recommendation 6: In full partnership with provincially-based community sector groups along with provincial government partners engage with “on the ground” sector leaders to lay out a blueprint for economic and social recovery at the locally place-based community level.**

Often it is the small, locally-based, grassroots organizations that are able to meet local needs.

**Recommendation 7: Increase investment in collecting and analyzing community sector data in a timely manner.**

The urgency to respond to the unforeseen issues such as the current pandemic has underlined the importance of having readily accessible information and evidence upon which to base forward thinking and planning. Lack of solid and current data about the sector diminishes the opportunity to mobilize its full potential including its people, its employment capacity and its ability to react quickly and nimbly in addressing urgent needs. Lack of good and current data is a longstanding problem.

**Recommendation 8: Increase efforts to close the digital divide through improved access to devices, internet connectivity and improved broadband access.**

Our new environment and the importance of working remotely and online has urgently given profile to the huge challenges Canada faces in enabling everyone to function online. This is certainly a task which requires the support of all governments, private sector providers and community sector organizations. This goes beyond broad band to accessing personal wifi in homes by continuing the Government of Canada’s Connecting Families Program.

The loss of funding earmarked for nonprofit delivery to increase digital literacy (previously included in the Department of Innovation, Social and Economic Development) is a devastating loss. Further nonprofits need to have financial support to make a full digital transformation.

### **Poverty Reduction**

The Community Sector Council Newfoundland and Labrador has a long-standing commitment to improving the lives of Canadians thus we make a series of recommendation to improve the lives of low-income Canadians who struggle to meet their basic needs.

**Recommendation 9: Make a commitment to the Budget to take leadership with the provinces on developing an Annual Basic Income in Canada.**

1. Work with provinces on costing the program and ensuring important supplements, for example, for persons with disabilities, seniors and children are protected
2. Co-establish deadlines and targets for implementation
3. Lift people out of poverty to ensure no one is living below the poverty line.

**Recommendation 10: Make a commitment in the Budget to take leadership with the provinces on a Pharma Care program funded nationally to ensure portability, and coordination with provincial formularies.**

1. Amend the Canada Health Act to ensure pharmacare is universal
2. Work with provinces to enforce eye care and dental care as a condition of access to health care transfers.

**Recommendation 11: Implement the Canada Disability Benefit initially introduced in 2020.**

1. Fast track implementation as the pandemic recedes
2. Allocate resources to enable the full participation of disabled persons in implementation.

**Recommendation 12: Work with the provinces to ensure income assistance and other policies disallow clawbacks from individuals and families on transfers from federal and provincial governments.**

1. Index supplements to inflation to ensure it raises individuals above poverty lines.

**Recommendation 13: Allocate funds to technology and digital literacy to improve connectivity in all regions and access to computer hardware for those in need.**

1. Recognize the continued need to provide for devices for individuals as an equity issue
2. Ensure personal connectivity for everyone. This goes beyond broadband to accessing personal Wi-Fi in homes by continuing the Government of Canada's Connecting Families Program.

## **Conclusion**

Much of the community sector (which is where private, public, nonprofit and individuals converge) is already innovative in its thinking and actions; however, many, especially smaller groups which make up the bulk of the sector, will require continuing support to move forward.

The community sector is still a largely unappreciated, underutilized, unrecognized and untapped resource when it comes to economic recovery. The pandemic has surfaced many of the weaknesses in the current contractual and funding relationships and mechanisms between the federal government and the nonprofit sector. It has also shone a light on the outstanding ability of the community sector to step up fast to meet human and community needs. Budget 2022 presents a vital point of opportunity to heed the sector's concerns and a focal point to genuinely focus on ways to harness its enormous willingness and capacity.