



**Community Sector Council**  
Newfoundland and Labrador

**Accelerating Change**

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

From  
The Community Sector Council  
Newfoundland and Labrador

August 7 2020

Contact Penelope M. Rowe  
CEO

[Pennyrowe@cscnl.ca](mailto:Pennyrowe@cscnl.ca)

709 753 9860

Twitter: @cscnl

Website: [Communitysector.nl.ca](http://Communitysector.nl.ca)

## List of Recommendations

Recommendation 1: That government identify clearly that the community sector is an industry sector which is central to economic and social progress and with significant potential for supporting economic recovery.

Recommendation 2: That a Ministerial point of contact be designated and responsible for issues relevant to cross cutting community sector issues.

Recommendation 3: That government increase investment in collecting and analyzing community sector data in a timely manner.

Recommendation 4: That all the ecosystem building recommendations contained in the Social Innovation/Social Finance Committee *Inclusive Innovation Report* be implemented on an accelerated basis so as to be more timely in encouraging response to COVID 19 recovery.

Recommendation 5: That further effort be made to close the digital divide through improved access to devices, internet connectivity and improved broadband access.

**The Community Sector Council Newfoundland and Labrador (CSC NL)** is committed to advancing the central role of the community sector in social and economic progress. 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. Our vision is for an inclusive society that supports individuals, families and communities.

The Community Sector Council NL appreciates the opportunity to respond to your question on “measures the federal government could take to restart the Canadian economy, as it recovers from the COVID-19 pandemic.”

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, seniors, and span arts, culture, heritage, environmental issues and housing. They provide support to vulnerable people, address poverty reduction and social justice. The community sector advocates for specific populations and draws attention to emerging and important issues. The sector is community driven by thousands of volunteers including those who serve on Boards of Directors and they employ thousands of people.

Of particular significance is the role that the community sector plays in encouraging 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. And they deliver services for people and 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.

Research<sup>i</sup> conducted by the Community Sector Council in Newfoundland and Labrador in May 2020 to ascertain the impact of COVID 19 indicates significant disruption. Yet, this sector has an enormous role to play in recovery, rebalancing and reshaping the manner in which our society functions and supports its people. It is essential to economic recovery. To this point, while measures have been taken to support organizations to support vulnerable people in particular, there has not been concerted consideration to the vast array of organizations which are fundamental to many communities and which

are at risk of long term closure. To enable these groups to play a part in economic recovery their concerns need attention in Budget 2021.

**Recommendation 1: That government identify clearly that the community sector is an industry sector which is central to economic and social progress and with significant potential for supporting economic recovery.**

Too often commentary 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 organization 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. Delivery mechanisms should be locally and regionally based and not just through national organizations. Efforts across the country to support Canadian values and people have been largely driven by the nonprofit sector yet there has been insufficient focus on the extreme challenges organizations face in meeting and maintaining programming.

We suggest that in preparation for budget 2021 the federal government:

- a. Conduct an inventory of existing government programs and policies to determine what changes might be made to better align with restarting the economy in the new environment - with an emphasis on supporting core operations and administrative functions, sustaining operations, and building leadership strength and organizational capacity.
- b. Overhaul many of government's 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.
- c. In full partnership with provincially-based community sector networks along with provincial government partners and some key national groups immediately engage with "on the ground" sector leaders – to lay out a blueprint for economic and social recovery at the community level. Often it is the small locally-based, grass roots organizations that are able to meet local needs. <sup>ii</sup>

**Recommendation 2: That a Ministerial point of contact be designated and 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: That government increase investment in collecting and analyzing community sector data in a timely manner. <sup>iii</sup>**

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 4: That all the ecosystem building recommendations contained in the Social Innovation/Social Finance Committee *Inclusive Innovation Report* be implemented on an accelerated basis so as to be more timely in encouraging response to COVID 19 recovery.<sup>iv</sup>**

The social finance fund and the numerous recommendations in the report provide opportunities for nonprofits, especially social enterprising nonprofits, to move toward additional longer term means of supporting their work through borrowing and accepting investments. While not a good instrument for some organizations, the already committed fund – with some specific tweaking and tailoring - could be supportive in recovery.

**Recommendation 5: That further efforts be made to close the digital divide through improved access to devices, internet connectivity and improved broadband access.**

The current pandemic 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.

## 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.

There are many steps, only some of which are raised in this short submission, which require concerted effort by the Government of Canada.

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 2021 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.

---

## Endnotes

---

<sup>i</sup> Heartbeat of Communities Impact of COVID 19 in the Community Sector Newfoundland and Labrador June 2020 [http://communitysector.nl.ca/f/Impact%20of%20COVID-19%20in%20the%20Community%20Sector%20Newfoundland%20and%20Labrador\\_0.pdf](http://communitysector.nl.ca/f/Impact%20of%20COVID-19%20in%20the%20Community%20Sector%20Newfoundland%20and%20Labrador_0.pdf)

<sup>ii</sup> National groups might include Volunteer Canada, the Social Enterprise Council of Canada and Imagine Canada and the Federation of Voluntary Sector Organizations. The Community Sector Council of NL has strong ties with each of these groups so could assist with setting up the initial conversation.

<sup>iii</sup> CSC NL supports the recommendation put forward by Imagine Canada in its brief to the Finance Committee.

<sup>iv</sup> CSC NL supports the recommendation put forward by the Social Enterprise Council of Canada in its brief to the Finance Committee.