# Community Matters Incoming Changes and Current Issues in the Non-Profit Sector



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Spring Edition Edmonton Social Plannning Council





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# **Community Matters**

Welcome to the Spring Edition of our quarterly publication, Community Matters. Community Matters aims to inform the community about social issues that impact the public and connect the dots between social issues, evidence, and policy. We aim to use this space to give local agencies, ESPC volunteer writers, and staff members a voice.

Each edition will spotlight a specific social issue and demonstrate the intersectional nature and impact on equality. Our goal is to use evidence as we continue to inform on the issues affecting individuals and families.

For our March 2024 issue, we are focusing on the current state of the non-profit sector and the changes and challenges ahead for it. The ecosystem of the non-profit sector is diverse and provides invaluable services to the broader community, which can include arts & culture, social services, child care, education, housing, and beyond.

This issue will focus specifically on incoming changes and the current state of community non-profits and will provide relevant discussion on a range of matters such as working conditions, the diversity of its workforce, challenges with funding structures, efforts to unionize non-profit staff, overreliance on unpaid labour, collaboration between non-profits, and more.

The non-profit sector is an important segment of our society. Not only does it contribute to our economy, but at its best the sector helps build and bring together communities and promotes social cohesion. It is up to all of us to nurture this sector for the mutual benefit of everyone.

I hope you find this issue illuminating and that it contributes positively to the discourse surrounding the role of non-profits, their impact, and challenges for the future.

#### Susan Morrissey, Executive Director

Edmonton Social Planning Council





### Non-Profits By the Numbers

### Written by Brett Lambert Research Officer (ESPC)

The non-profit sector is composed of a diverse array of organizations in support of a variety of causes and services provided to the general public to bring communities together and enhance social cohesion. The following is a list of facts and figures on the current state of non-profits and their impact to communities.

### Number of Non-Profits and Employees/Volunteers

In Alberta, there are 26,000 charities and non-profit organizations operating. Almost 300,000 Albertans are employed in the sector and 1.9 million Albertans volunteer across this sector. The sector contributes almost \$5.5 billion in gross domestic product to the Alberta economy (Government of Alberta, 2024). 45.7% of Alberta residents volunteer, contributing a total of 227 million volunteer hours annually. Among the non-profit workforce in Alberta, 78% are women and community non-profits employ about 68,000 people (Imagine Canada and Ontario Nonprofit Network, 2021).

### Services Provided by Non-Profits

Non-profits provide a wide variety of services, which include child care, housing, health, arts, employment, and education. The most common area of focus for a non-profit organization is sports & recreation (25.0%) followed by religion (11.5%), social services (10%), arts & culture (9%), and fundraising & volunteerism (8%) (Government of Alberta, 2018).

### Types of Non-Profits

There are three broad categories of non-profits:

Community nonprofits provide goods and services such as social services (e.g. housing, mental health), advocacy, arts, sports and recreation to individuals and households. Examples of community non-profits operating in Edmonton include Boyle Street Community Services, the Edmonton Sport Council, and Bissell Centre.

**Business non-profits** include chambers of commerce, business and professional associations. Examples of business non-profits operating in Edmonton include **Alberta College of Pharmacy** and the **Edmonton Chamber of Commerce.** 

Funding Sources for Non-Profits

Non-profits in Alberta operate on a variety of funding sources, which includes government funding (municipal, provincial, and/or federal), donations, membership fees, earned income activities, corporate and foundation funding, as well as investment income.



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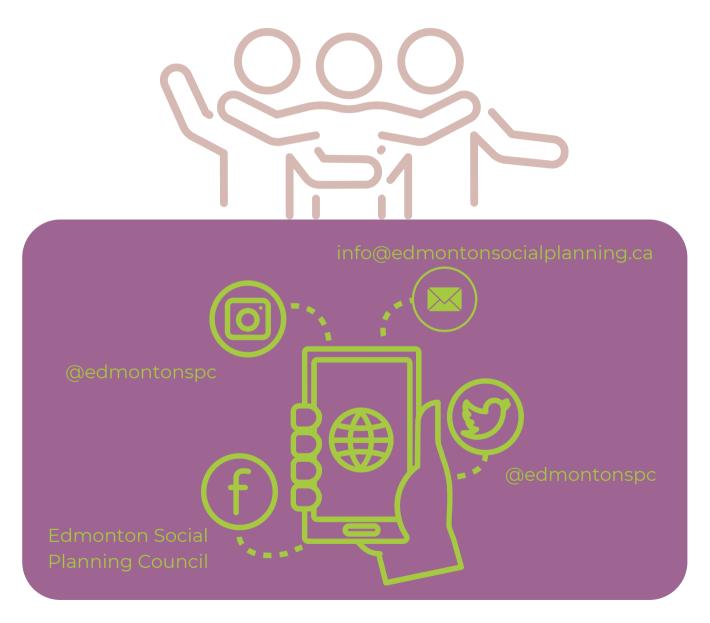
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## Addressing the Working Conditions for Non-Profit Organizations

### Written by Brett Lambert Research Officer (ESPC)

Non-profit organizations and their workforce are facing a number of challenges which impact the working conditions for their employees. These organizations are contending with a high demand for their services and a limited capacity to meet these needs due to challenges with securing stable, predictable, and sustainable funding. This is particularly felt when they are reliant on donations from donors who may not be in a place to be as generous as they were in the past. As a result, workers are feeling over-worked and experiencing burnout (Canada Helps, 2023). These challenges are only exacerbated by a

workforce that is disproportionately underpaid compared to other sectors. As a result, workers quitting to find other employment prospects is more prevalent compared to other industries (Pillar Non-Profit Network, 2023).

According to data from Statistics Canada, those employed in health care and social assistance were more likely than the average worker to describe a heavy workload and an emotional load as a cause of workrelated stress (Statistics Canada, 2023). All of this makes for an untenable situation, which has implications not only for the sector, but also for marginalized and vulnerable populations who rely on the services of non-profit organizations.

### The Current Situation

According to Imagine Canada's research, the average annual salary for those working in community nonprofits is \$38,716 compared to \$57,137 in the economy overall. The workforce within the sector is older and more educated than workers in other sectors. Women make up more than three-quarters of the workforce. almost half of the sector's workers are immigrants, and nearly one-third are racialized (Imagine Canada, 2022). Seeing as how various marginalized groups disproportionately make up the workforce employed to serve some of the very same segments of the community, improving these working conditions is that much more critical towards advancing equity.

### 'Toxicity' Within Non-Profits

Righting Relations and the John Humphrey Centre for Peace and Human Rights recently did a thorough examination of what they call toxicity within the sector, unpacking the situation related to workplace culture, policies, and power relations that have negatively affected workers' and volunteers' well-being. It also offers pathways towards transforming the not-forprofit sector to meaningfully address the current situation (Righting Relations and John Humphrey Centre for Peace and Human Rights, 2023).

Examples of toxicity within the sector include leadership within the non-profit, which includes boards of directors and executive directors. not understanding the workers and the community the organization supports. For board members specifically, condescending and abusive attitudes are apparent, along with overstepping their functions, and not understanding workloads and micromanaging. For executive directors, their findings show they often lack training with interpersonal conflict, psychological safety, and violence prevention measures; act passive aggressive to workers, and reinforce hierarchical structures limiting the possibilities of engaging and solving problems in creative ways.

A culture of white supremacy and colonialism is evident too. White supremacy is identified as not only the skin colour of those who work in or lead an organization, but also the language, values, and principles that uphold and advance the inequality and oppression of racialized people and keeps Whiteness as the dominant power at the expense of others. Characteristics of white supremacy apparent in non-profits include perfectionism, paternalism, defensiveness, and concentration of power. These characteristics manifest themselves in expectations of "professionalism" being employed as a tool of manipulation or control. Workers are expected to control their emotions, address only certain topics when they engage in casual conversations with coworkers, and dress in specific ways, all of which encourage people to be "fake."

Non-profits also play "lip service" to diversity when few members of an organization are racialized, disabled, and/or 2SLGBTQ+. Some mentioned these groups are treated in patronizing ways.

All these factors, combined with lower wages, and a lack of sufficient and stable funding, make workers feel insecure economically and emotionally.

### Unionization Within Non-Profits

One way that workers within the nonprofit sector have been addressing many of these concerns about their working conditions is to join a union and organize their workplace.

The sector traditionally does not have a lot of union representation, but in recent years there has been a growing interest in unionization throughout North America. Workers have been rallying around livable wages as well as health and other benefits, anti-discrimination policies, and more transparency (Martin & Robinson, 2023).

This increase in unionization has also been seen in Alberta, with successful campaigns to unionize happening at non-profits such as Alpha House in Calgary, Central Alberta Women's Emergency Shelter, the Trinity Place Foundation of Alberta, and Bike Edmonton.

Job security has been cited as a recurring concern for many non-profit workers. Many work on contracts for a fixed period, rather than holding permanent and ongoing positions. This uncertainty enables a climate where people are less likely to speak up about these working conditions, which gets compounded by high turnover rates (McKay, 2022).

### Actions to Improve Working Conditions

There are a number of actions funders. governments, and non-profit leaders can take to improve the situation. Non-profit organizations need secure and stable funding so that workers have decent incomes, benefits, and pensions available to them. According to Imagine Canada's recommendations, this includes funding opportunities that allow more flexibility in using funding towards operating costs, employee benefits, professional development, and moving funding between cost categories (Imagine Canada, 2022). In addition to funding, changing attitudes within leadership is something John Humphrey Centre for Peace and Human Rights also prioritizes.

This includes fostering a culture of mutual respect, anti-racism and antiviolence practices, ensuring racialized people are represented at all levels of organization, and avoiding hierarchical power and establishing a horizontal distribution of power.

At its heart, bridging divides between management and workers in nonprofits is an environment where leaders listen to workers, value lived experience, understand and value diversity, and have a comprehensive understanding of equity (Righting Relations & John Humphrey Centre for Peace and Human Rights, 2023). The sector faces many challenges, but taking meaningful steps towards addressing these issues will go a long way towards benefiting staff as well as the community at large.





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# A Look at Diversity in the Non-Profit Sector: A Conversation with Emily Jensen (Imagine Canada)

Written by Janell Uden Research Services and Capacity Building Coordinator (ESPC)

Imagine Canada is an organization that strengthens Canadian charities and non-profits. Their vision is to see vibrant communities fueled by strong non-profit infrastructure and engagement. They also aim to see the advancement of social, economic, and environmental justice accomplished by collective advocacy action. Their work includes running a standards program, connecting non-profits with grants, community investment recognition, public policy advocacy, and research.

Emily Jensen is a Manager of Strategic Advocacy at Imagine Canada and recently authored "Diversity Is Our Strength: Improving Working Conditions in Canadian Nonprofits". This report encapsulates information about pay, pay gaps, gender and racial diversity in the non-profit sector and a comparison between the non-profit sector and other sectors.

We sat down with Emily to discuss the information in this report. This article will highlight our conversation and include information from the report.

#### Who works in the non-profit sector?

"So, the top line answer here is women," Emily explains that women have been the majority of the workforce for a long time. "A big percentage of who works in the sector are racialized, immigrant, Indigenous people, and primarily racialized, immigrant, Indigenous women." 77% of non-profit employees are women compared to 49% of all other employees economy-wide (Jensen, 2022).

### How does the diversity in the nonprofit sector compare to other sectors?

Not only do we have more women and immigrants, Black, Indigenous and racialized people than most of the economy, but workers in the nonprofit sector are better educated than the economy-wide average and older than other sectors averages. About 34% of employees in the non-profit sector hold a university degree, compared to 30% of all employees economy-wide, as well as 34% of employees in the nonprofit sector hold a college diploma, compared to about 23% of all other employees. Only about 25% of employees in the non-profit sector hold a high school education or less compared to 37% of the other employees economy wide.

The number of employees in the nonprofit sector who are over 65 nearly doubled between 2010 and 2019, and this aging workforce is also shown in the data. More employees in the nonprofit sector are older than 55 compared to other sectors. While the numbers for the other age groups do not differ as much, it is important to note that many of the people who hold jobs in the non-profit sector are working longer as they age, and we believe this is in part due to low wages and a lack of retirement benefits.

The non-profit sector employs more immigrant, Black and Indigenous workers than the other sector in the workforce overall. The share of nonprofit employees who have immigrated to Canada is much higher than the percentage of immigrant employees economy wide. A higher percentage of employees in the non-profit sector are racialized (29% compared to 20%), Black (5% compared to 3%), and are 27 times more likely than workers other sectors to have Indigenous status (Jensen, 2022).

### What are some of the internal inequities in the non-profit sector?

"One that might come across as surprising given that it is a women majority workforce is that we still have a gender pay gap" (men get paid more than women working in the sector). Additionally, there are more men who occupy management roles compared to their share of the sector's overall workforce. There is also a pay disparity between racial groups in the non-profit sector. In community and business non-profits, racialized workers make 9% and 14% less than their non racialized counterparts respectively (Jensen, 2022). In government non-profits, racialized, Black, Indigenous and immigrant workers make more money on average compared to their nonracialized counterparts.

However, it is possible that this could be because of larger staff sizes for the organization, unions, HR teams and more robust pay equity systems (Jensen, 2022). This could also be because some immigrant workers are overrepresented in certain fields, like nursing (Jensen, 2022).

### What are the effects to having this demographic makeup?

"The work that the sector does comes with gendered stereotypes because it is "care" work, it is associated with domestic labour and the work in this sector has been either uncompensated or poorly compensated throughout all of our history." Emily explains that since the non-profit sector is not thought of as a part of our economy, it is undervalued. While immigrants are a big part of our workforce, and we want to celebrate how much they contribute to the non-profit sector, we also realize that a large part of the reason that there are so many immigrant workers in our workforce is because they are facing discrimination in other sectors in our economy. Other sectors tend to look for "Canadian experience" so many immigrants will make a start in our workforce, as they do not meet this qualification in other sectors.

How many people work in the nonprofit sector and how much does it contribute to the GDP?

2.5 million people work in the nonprofit sector and contribute 8.3% to the gross domestic product (GDP). To many people's surprise, 1 in 12 Canadian jobs are in the non-profit sector, as hospitals, food banks, arts organizations, shelters, universities, child care services, etc., are part of this sector (Jensen, 2022).

How are people in the non-profit sector paid compared to other sectors? How can we get to where we need to be to fairly compensate non-profit employees?

The average annual salary for nonprofit workers in 2019 was about \$38,000 compared to those in other sectors it is 57k. This is due to low wages and part-time work. "The biggest thing we can do to fairly compensate non-profit employees is for funders to budget for adequate wages, and at the very least a living wage and benefits for employees. There have been specific stipulations from funders that funding may not be used to pay maternity leave, which is unfair in a womandominated workforce. "Funders need to know that we are skilled workers, there is also a cost-ofliving crisis and we all need to be able to pay the bills".

# Do these pay differences impact the people that work in the sector? If so, how?

As mentioned, we are in a cost of living and housing crisis, and this contributes to people who work in nonprofits struggling to make ends meet. I hear people saying that the organization they work at started to fight poverty, and now their workers are in poverty because they cannot pay them well enough. I have heard of food banks that have started allowing their staff to use their services because they cannot pay them well enough to buy groceries. This affects people in terms of health, mental health, physical health, and quality of life. This also affects people's ability to save up for retirement; a lot of people in the sector keep working until they are older because they cannot afford to leave, or they leave the sector in search of a higher wage and take their experience with them.

### Looking forward

The last question I asked Emily was what actions can funders, governments and non-profit leaders take to improve working conditions for those working in the sector? She gave the following recommendations, which ended our conversation with a vision for the future

#### **For Funders**

Funders can provide more stable, long-term funding that covers operating costs and fund a living wage. In the non-profit sector, short-term funding is often given, which turns into precarious contracts for people who lack benefits and stability. At the very minimum funding, a living wage is crucial.

#### Government

Treat the non-profit sector the way other industries are treated, like collecting basic data about us or having someone dedicated in government to foster a strong non-profit sector like there are for other sectors.

### Within the Sector

Although we face a scarcity of resources, we cannot use that as an excuse for not treating our people better. Racial and gender pay gaps need to be eliminated, there should never be that kind of difference. Having pay transparency in organizations, paying a living wage and demanding so from funders is how we can achieve this future.

The information cited in this interview is based on the latest data from Statistics Canada in 2019, as more updated data has just been released but not yet analyzed. In the new data, Statistics Canada has changed some of their methodology. Further analysis will be done to determine if trends remain the same.

#### References

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### Would you or your agency like to get involved in Community Matters?

There are multiple ways that you or your organization can contribute to our upcoming publication in June, which will focus on The 2SLGBTQIA+ community.

Our planning for the next edition will be starting in April!

For more information or to express your interest please contact: Janell Uden (janellu@edmontonsocialplanning.ca)

### Community Matters The Social Safety Net



December 2023 Winter Edition Edmonton Social Plannning Council



Community Matters: March 2024 Edmonton Social Planning Council



# Exploitation of Volunteers in the Non-profit Sector

Written by Sydney Sheloff Strategic Research Coordinator (ESPC)

The COVID-19 pandemic started a crisis of volunteerism in the non-profit sector. Canada Helps found that 55.2% of charities have fewer volunteers than before the pandemic, with 24.2% saying volunteering is significantly down. Locally, in 2023, 57% of Edmontonians claimed they had not volunteered in the past 12 months (Edmonton Community Foundation & Edmonton Social Planning Council, 2023). Many charities cite attracting volunteers as one of the largest concerns their organizations are facing (Canada Helps, 2023).

For a long time, non-profits have relied on volunteers to keep their programming running. However, the current crisis of volunteerism calls the sector's reliance on this form of labour into question.

First, these past few years have proven that reliance on volunteer labour makes capacity within nonprofits unstable. Non-profits are finding it more difficult to meet growing demand. Second, perhaps more importantly, this crisis calls into question the ethics of relying on volunteer labour. As we recognize inequities and exploitation in the labour market as a whole, we need to ask: when does volunteer labour become exploitation?

### Defining volunteer labour

As defined by volunteer Canada, a volunteer is "any person who gives their time, energy, and skills for public benefit, freely without monetary compensation" (Ontario Nonprofit Network, 2022, p.9). The Ontario Nonprofit Network builds on this definition, and argues that volunteers "act with altruism as their primary motivation." (Ontario Nonprofit Network, 2022, p.10).

Using this definition, we can create a distinction between volunteering and other forms of unpaid labour. For example, high school students may be expected to fulfil community service hours in order to graduate, or a university student may need to fulfill an unpaid practicum or co-op placement as a part of their program. In these cases, the primary motivation for their labour is to graduate or fulfill the requirements of one's degree, and it is therefore not considered volunteering (Ontario Nonprofit Network, 2022).

However, there are concerns with using altruism as the defining characteristic of volunteer work. First, many people who work paid positions in non-profit organizations chose this industry for altruistic reasons (Overgaard, 2019).

Employees care about social justice and want to make change in the world. Even practicum students may have chosen to get a degree in a program that will eventually get them a non-profit job because of altruistic reasons. Second, as will be discussed in the following section, framing volunteers as altruistic may misrepresent the reasons people are working for free. Exploitation of "volunteer" labour Volunteers are intended to support the work of paid staff, this work becomes inequitable or exploitative when volunteers are used to displace paid staff. It is not acceptable for a "volunteer" to perform work similar to paid staff, at similar levels of responsibility, and/or have little choice about hours and conditions of work (Ontario Nonprofit Network, 2022). In this case, a so-called volunteer is doing the work of a traditionally paid position for free.

This is deeply tied with a larger disinvestment in the social service sector. When non-profits do not have adequate funding to pay enough employees to fulfill their mission, they may need volunteers to sustain their work. Especially in the wake of the COVID-19 pandemic, when non-profits are seeing increased demand for services alongside decreased capacity to serve (Canada Helps, 2023), volunteers may be seen as a solution to fill this capacity gap. However, it is important to acknowledge that the volunteers are subject to harmful social and economic forces that influence their decisions to volunteer.

Volunteering, by definition, needs to be done for altruistic reasons. But too often, people are forced into volunteer work through coercive means. In the face of limited job opportunities, many people, in particular young people, new graduates, and newcomers entering the Canadian job market, are forced to work for free to build up their job experience. Volunteer positions are treated more like an entry-level position. In this way, organizations are taking advantage of a lack of labour market opportunities and exploiting the labour of people who are economically disenfranchised (Ontario Nonprofit Network, 2022; Overgaard, 2019).

The same can be said of students. While not classified as a volunteer, they are still working for free in order to gain work experience, develop professional relationships, and gain skills to do well in their future careers. However, students still need to pay the bills, and many take on paid part-time jobs on top of their school work and practicums, which may lead to exhaustion and affect their performance in all these domains (Overgaard, 2019), and may negatively impact their well-being.

Volunteering is also deeply connected to gendered expectations of work. When women struggle to find success within a male-dominated workforce and are expected to take on more home responsibilities that take them away from paid work and advancement opportunities, volunteering can be an attractive way to get involved in meaningful work (Overgaard, 2019). These women are not working for altruistic reasons, but because it is their best option in a broken system.

### Conclusion

Volunteer labour is not inherently exploitative, in fact, contributing one's time to a mission one is passionate about is a noble pursuit. That being said, volunteerism is still unpaid labour. The issue is that inequities in funding for non-profits, compounded with inequities in the labour market has created a situation in which organizations may be exploiting unpaid labour under the guise of volunteer work. There is a lot of value to be gained from volunteer experiences, including better future job prospects. However, organizations need to ask themselves: how does the value volunteers receive measure to the value the organization receives from their free labour? It is a lack of balance in this equation that creates exploitation.

We also need to interrogate what the "value" of volunteer work truly is. What is the value of working towards better future job prospects when one cannot make ends meet today? Is the value of the skills gained in a volunteer position equivalent to a living wage? Many people from marginalized backgrounds are put into the tough position where they are forced to choose between volunteer work that may help them with their career, or just any job that will pay the bills (Ontario Nonprofit Network, 2022). It is often people in already privileged positions who gain the most from volunteer work because they do not have to contend with these trade-offs. Characterizing volunteerism as purely 'altruistic' obscures these larger social and economic reasons people work for free, as well as the different experiences people from different backgrounds have when they volunteer.

As mentioned at the start of this article, many non-profits are facing difficulty attracting volunteers. Perhaps people can no longer "afford" to work for free.

As precarious employment becomes more commonplace and the cost of living skyrockets, fewer people have disposable time to volunteer. They are choosing the job that will pay the bills over a volunteer position that could advance their careers. They are replacing their volunteer positions with a second job to make ends meet. After working long, unstable hours for inadequate pay, they don't have the capacity to volunteer their time to a cause they are passionate about.

There is a central irony here, many nonprofits have a desire to pursue economic and social justice and address community well-being, yet the unpaid labour they rely on is in direct opposition to this. While not intentional, non-profits are taking advantage of economically disenfranchised people and exacerbating labour force inequities. We need to address larger economic forces so that people are not volunteering under coercive conditions, but really, all volunteers are there solely out of the goodness of their hearts. The labour force in general needs to offer more opportunities for decently paid and stable entry-level positions.

Non-profits in particular need access to funds to adequately compensate their employees, create strict boundaries between paid and volunteer activities, and ensure volunteer labour is only supplemental to their work.



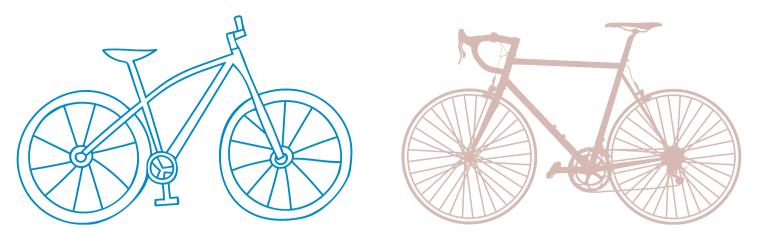
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# Unionization in Non-Profits: A Conversation with BIKE Edmonton

Written by Janell Uden Research Services and Capacity Building Coordinator (ESPC) & Susanne Urbina - Capacity Support Assistant (ESPC)

There has been discussion regarding the potential for increased unionization in the non-profit sector. When looking into a local example,: one organization stood out. BIKE Edmonton is a small non-profit organization that helps the local community by refurbishing and repairing bicycles, promoting safety and cycling culture and advocating for municipal integration of a bikefriendly Edmonton. Although BIKE Edmonton has not yet landed on a collective agreement, we offered the opportunity to staff and board

members at BIKE Edmonton to answer some questions so we could get a perspective on what this process has been like for them. This article will explore answers shared by BIKE Edmonton staff and board members and relevant research.

### What was the push to unionize at BIKE Edmonton?

BIKE Edmonton is a small organization with under ten staff members who started the unionization process to reestablish a positive workplace culture and improve communication between staff and the board. Before the process began, staff and board members were having issues communicating without any resolve. As a result, there was a development of low morale amongst staff, and many were considering leaving the organization.

### How has this impacted staff and customers? What was the overall reaction from staff and customers?

The decision to unionize was unanimously supported by all staff. Since the decision to unionize, staff have felt more comfortable communicating concerns and have also felt an improved sense of consideration by leadership. Due to limited information about customer opinions, no strong support or disdain for unionization was expressed.

### What were the benefits seen to unionizing?

Some of the hopes in mind when making the decision to unionize at BIKE Edmonton were that staff would have increased job security, a stronger voice when working with the board of directors, access to an alternative way to communicate in the future, and higher, living wages for all employees.

A realization experienced by other nonprofit workers is that resolving issues in the workplace creates a better environment for skilled and passionate employees, which allows these organizations to be more productive. This can lead to improved staff retention and less employee turnover rates (IAM Journal, 2024). Unionizing workers are looking for livable wages, but a contract can secure great benefits: professional development opportunities, generous vacation time, parental leave, remote work policies, weekly work hours, retirement contributions, severance packages and work-life balance (IAM Journal, 2024; PRISM, 2024).

### What were the potential hurdles to unionizing?

A potential hurdle to starting the process to unionize was that between having a small staff and a demanding workload, it was difficult to find time to understand the unionization process. Once the process began, other challenges were encountered, primarily stemming from resistance from the board. This was shown in a few ways: The first way was the board hiring a lawyer to dispute the decision to unionize. This added hurdles in terms of time spent arguing the decision, as well as not having room in the budget for this type of expense. The second was the high turnover rate on the board, which may have slowed down negotiations.

For other small non-profit organizations, a hurdle to unionizing is the fear that it may negatively affect their relationship with management (PRISM, 2024). Unionization is typically seen as a contentious negotiation that can sometimes feel insulting to nonprofit management. In a sector where workers care a lot about the work their organization does (Taproot Edmonton, 2022), and typically have closer working relationships with management and their boards, it can leave those in positions of power feeling confused. However, it was mentioned by PRISM that it was important for them to remember that employees and employers usually have identical goals despite occasional disputes.



Has unionizing solved any challenges BIKE Edmonton faced before unionizing?

Although no collective agreement has been reached to date, the process of unionizing has offered staff a sense of security, and an increased feeling of capacity, both of which were missing before. Challenges still exist but communication between staff, executive director, and the board has dramatically improved. This improvement may not be solely based on unionizing. However, the respect and recognition for staff as skilled professionals has changed since the process began.

### How is unionizing different for nonprofits than other organizations?

BIKE Edmonton reported that because staff may feel a strong sense of purpose in their work, a connection to their organization and a higher dedication than compensated for "it can feel like a betrayal to unionize in this context, but it prevents the work from becoming completely unsustainable, so it is a way of supporting the organization, not harming it" (Board Member BIKE Edmonton, 2024). The decision to unionize for nonprofits is different due to the tight budgets and time restraints to schedule negotiation meetings. Also, the nature of non-profits seems to counter typical reasons for unionization. Within for-profit businesses, the owner's desire to profit is pitted against the employees for better compensation. In non-profits, both leaders and employees desire to provide a public service on limited budgets, yet employees still desire greater compensation. (PRISM, 2024). This type of public service, however altruistic the belief might be, can be exploitive for a few reasons. The first is that executives are generally paid much higher than lower-level staff (PRISM, 2024). Second, there are still pay disparities between racialized and non-racialized workers, as well as between genders. Third, as employees are known to be passionate people, they will often put in extra hours as the organization's mission is worth it (Rabble, 2012). Fourth, people in the sector are typically overloaded with work without proper compensation (Rabble, 2012). Lastly, people working in the non-profit sector are not being paid what others are doing similar work in other sectors. All these examples of exploitation are valid reasons for considering a collective agreement.

### What would you recommend to other non-profits thinking of unionizing?

BIKE Edmonton recommended that organizations really know and understand their reason for wanting to unionize. It is not an easy process, and it involves a lot of time and work. However, the result of empowered staff is worth it. Collective people power is widely considered the main asset of labour organizations (PRISM, 2024). Lastly, they recommend that organizations thinking of unionizing should seek advice from others with experience (like BIKE Edmonton) as they may be able to provide valuable insight.



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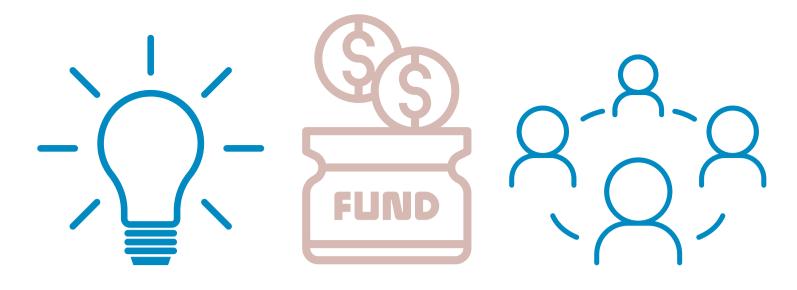
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# Rethinking How Non-Profits Are Funded

Written by Krista Allan Volunteer (ESPC)

Alberta's non-profit sector plays a pivotal role in fostering vibrant and resilient communities, while contributing significantly to the province's social, cultural, and economic well-being. There are over 26,000 different charitable and nonprofit organizations in the province, ranging from social services organizations and cultural institutions to sports groups (Government of Alberta, 2024). These organizations address pressing social issues, support vulnerable populations, and enhance the overall quality of life for residents. Furthermore, they also act as crucial intermediaries between government

programs and citizens, often filling gaps in services that are not filled by either government agencies or private business. Non-profit organizations are also economic drivers accounting for 6.8% of Canada's overall GDP and, in Alberta alone, the sector employs over 285,000 people or 1 in 20 Albertans (Statistics Canada, 2022).

To put this into perspective, the oil and gas industry contributes about 5% of Canada's overall GDP and directly employs around 135,000 Albertans (Canada, 2023). The impact of the non-profit sector both on the economic and personal well-being of Albertans cannot be overstated, despite the sector having been historically underfunded and under-resourced. Though funding systems play a pivotal role in shaping the sector's impact, government funding for non-profit organizations has remained largely stagnant since 2006 (CCVO, 2024). More recently, the COVID-19 pandemic has had a huge impact on the health of the sector with many organizations reporting that they were unable to access government pandemic supports which then impacted their ability to keep and retain staff, maintain service levels as well as engage in fundraising activities (CCVO, 2024). As we transition out of the pandemic, the demand for services provided by non-profit organizations is growing exponentially. Many organizations are reporting that the needs of the people they serve are also more complex, and yet funding models are not keeping pace with this increased demand.

The province's non-profits currently navigate a complicated system where funding opportunities are often shortterm, highly competitive and targeted towards a specific outcome of the funder's choosing.

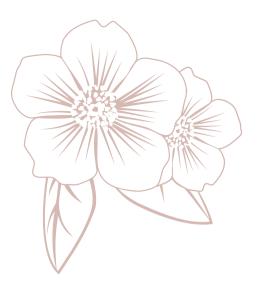
Organizations applying for grants know that, oftentimes this funding is also looking for new and innovative solutions to social problems and will not fund existing programs, capital projects, overhead costs, or evaluation projects. What this means is that organizations are then constantly adjusting programs to conform to funder expectations and may even underreport the dollars required to support the overhead costs of delivering these programs, resulting in a cycle where organizations are constantly undercutting their overhead costs to receive program specific grants (Gregory & Howard 2005). As the funding landscape becomes increasingly outcomes-focused, there is also a concern that projects centered around nuanced goals, such as personcentered care, evaluation efforts or services that support long term planning may not be financially viable. Consequently, this creates a culture where organizations are constantly expected to "do more with less" (Gregory & Howard 2005). For Alberta non-profits this underfunding has resulted in a 30-million-dollar funding deficit. Addressing this deficit is desperately needed to stabilize the sector and ensure that budgets are able to keep pace with population growth and inflation (CTV, 2022).

One solution that has been gaining momentum is the shift towards unconditional funding. This type of funding is granted to organizations with no requirements attached to it and organizations then allocate resources where they are needed most. Unconditional funding allows non-profits to respond quickly to emerging needs which is crucial in addressing dynamic societal challenges. It can also reduce the administrative burden on non-profits, as they can focus more on their mission and less on meeting specific grant and reporting requirements. This allows funding to be directed to where it is needed most. The stability provided by unconditional funding can also lead to greater innovation in the field and foster stronger partnerships and collaborations. Non-profits can engage in long-term relationships with other organizations, government entities, and community stakeholders, amplifying their collective impact. They can also take calculated risks and experiment with new approaches, fostering creativity and potential breakthroughs in their field, knowing that they have the funding available to evaluate programming and pivot if needed.

Lastly, unconditional funding can also allow not for profit organizations to

invest in hiring and retaining gualified staff. High staff turnover and low wages all have an impact on the sustainability of programs and services as well as the long-term health of the organization. Wages make up the largest expenditure of most non-profit organizations in Canada and yet the annual wages for workers in this sector have fallen far behind other industries when accounting for similar education levels (Statistics Canada, 2022). What this means is that regardless of the quality of programming, staff turnover (or being unable to hire qualified staff) can cause major disruptions and can also hurt the organization long term. By allowing not for profits to invest in their people, they will be better able to achieve program outcomes and bolstering wages in this sector could also go a long way towards addressing income inequality in the province.

Where do we go from here? This article has outlined the issues with our current funding systems and the incredible resilience non-profit organizations has shown in the face of adversity. We are seeing an increased demand for services and now, more than ever, it's important that governments and funding partners support these vital organizations to determine how best to serve their communities. Moving towards an unconditional funding model is possible but it will require funders to shift their thinking from an outcomes-based model to more of a collaborative model where funders and non-profits are partners in creating a better future for all Albertans.



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# Cooperation Makes it Happen: The Benefits of Collaboration Among Non-Profits

Written by Janell Uden Research Services and Capacity Building Coordinator (ESPC) & Sydney Sheloff - Strategic Research Coordinator (ESPC)

In this edition of Community Matters, current challenges that nonprofits face such as: being asked to do more with less funding, the demand for measurable results over quality programs, and having skilled staff leave the workforce for higher pay have all been discussed. Considering that many non-profits are operating under project-based funding and may experience funding not being renewed so they are forced to start a new project, there tends to be overlap between projects that non-profits carry out or even missions that non-profits serve.

How do non-profits continue to make progress under these conditions? The way that funding is applied for and given out drives competition between non-profit organizations. For this reason, collaboration seems counterintuitive to succeeding as a non-profit. However, this may be a way forward for non-profits, and this article will explore that idea and how this could be accomplished.



### What are some benefits to non-profit collaboration? (Stengel, 2013)

### Share the cost of infrastructure and administrative expenses.

There are many types of funding that don't allow enough or any money for these areas, therefore if organizations were to share training sessions, workshops, shared workspaces, IT support, accounting would help them save money in those areas.

#### Improve organizational effectiveness

Combining resources could help organizations provide better services to their community. Depending on the type of collaborative relationship, collaboration between organizations could include sharing funding, staff and knowledge. A collaborative relationship could also improve outreach, as organizations could make referrals and share client information. Collaboration in these areas could increase efficiency too, as wait times for services may decrease and tasks could be divided.

#### **Promote inclusivity**

Collaborating with other non-profits can offer diversity from experiences and knowledge of staff and leadership. Working with non-profits that serve a different social group or have leadership from a different social group or worldview can offer new perspectives and stimulate new conversations.

### Skill development amongst staff and leadership

Sharing information between organizations, figuring out what kind of collaborative relationship organizations would benefit from, and how to engage in one would positively challenge leadership and staff members. Skills like communication, leadership skills, relationship building, value assessment and capacity building are all utilized in collaboration.

#### Further broader systems change

When collaboration between organizations occurs, the focus of the organizations shifts away from their organizational boundaries to larger systems and social change. Each organization becomes stronger in efficacy, efficiency, inclusivity, capacity, vision and credibility. These strengths position organizations to maintain a sustainable future and deepen their social impact (Samali et al., 2016). What are some ways that non-profits can engage in collaboration? Non-profits can collaborate on three different levels that increase in intensity, time needed and opportunity between each level (Winer & Ray, 1994).

### Collaboration

### Coordination

### Cooperation

This is a short term, informal, and low risk relationship that does not include shared mission, structure, or planning. This type of collaboration can include the exchange or sharing of the cost of the previously mentioned infrastructure and administrative expenses, ideas, and information about a specific subject or project. This relationship is mutually beneficial and can allow organizations to dedicate more funds to areas that make the biggest impact, and sharing knowledge and expertise ameliorates decisions and impact. In this type of collaboration, each organization maintains their own authority and resources.

Collaboration is a durable and pervasive relationship in which two or more organizations participate into a new structure and shared mission. Resources are pooled or joint, and rewards and results are shared in this type of relationship. Collaboration on this level requires even more time and communication, as well as has increased risk.

Power can be unequal and an issue in this kind of collaboration. This type of relationship is more transformational than the other two which are more so transactional. It is born out of mutual desire to create change beyond organizational boundaries to create more change than any organization could accomplish on their own.

This type of collaborative relationship includes formal relationships around specific efforts or programs. The people involved in this type of relationship focus their longer-term energy towards the project or program, organizations dedicate resources for it and share rewards. This involves more time and effort, as the coordination, division of roles, time, and communication must be dedicated by organizations. Authority remains with each organization, and power can be a struggle. Here in Edmonton, there is collaboration happening between non-profits in different ways.

The C5 collaborative partnership is a group of five agencies that include Terra Centre, Bent Arrow Traditional Healing Society, Boyle Street Community Services, Edmonton Mennonite Centre for Newcomers and Norwood Child & Family Resource Centre. C5 pools their resources and uses research to achieve substantial outcomes for children and families. "The Hub" is a consolidated location for people to access housing supports, employment and business development support, parenting support, early childhood development support, financial planning, mental health and addiction support and food security services. This collaboration was formed to help families address all social determinants of health and avoid travelling to multiple places and telling their stories to each new service provider. This true collaboration collectively serves over 180,523 Edmontonians each year (C5, 2023). Another collaborative here in Edmonton is the Youth Agency Collaborative. This collaborative includes over twenty agencies including multicultural groups, Indigenous organizations, newcomer/immigrant organizations and 2SLGBTQ+ organizations that work

together to improve the quality of service for young people when they are experiencing houselessness, abuse, substance use, intergenerational trauma, colonization and other negative effects linked to poverty. This collaborative shares information and knowledge and has developed a shared intake system. This system means that youth do not have to tell their traumatizing story at each organization they obtain services from. This coordinative collaboration has long term goals of establishing a decentralized network of 10-18 24/7 youth Support Centers across the city (Youth Agency Collaboration, 2022). In Edmonton, many smaller, temporary collaborations have been established in response to pressing needs. After Boyle Street Community Services closed its doors in September 2023, it created several 'micro drop-in' spaces throughout the city. One of these drop-ins was established at Bissell Center. Sharing a space allowed the two organizations to reflect on areas where their services overlapped and has inspired them to figure out how they can be more efficient in serving their community. For example, both organizations host a mail service, and the two organizations are discussing how they

could integrate those services (Swensrude, 2024). This cooperative collaboration will continue until fall 2024 while Boyle Street waits on the completion of the King Thunderbird Centre.

There are many collaboration tables and knowledge sharing relationships between non-profits not covered in this article. The above are examples of some ways non-profits have engaged in collaboration based on the types of collaboration discussed. It is clear there are many benefits to collaborating as a non-profit, centralizing social services is powerful and supports people better. With 1,818 nongovernmental organizations, charities and non-profits in Edmonton, the opportunity for collaboration is considerable (NGO Base, 2023).



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# About the Edmonton Social Planning Council

The Edmonton Social Planning Council is an independent, non-proft, nonpartisan social research organization, with registered charitable status. Our focus is social research, particularly in the areas of low-income and poverty. ESPC is a source of knowledge and expertise on social issues within our community.

We are dedicated to encouraging the adoption of equitable social policy, supporting the work of other organizations who are striving to improve the lives of Edmontonians, and educating the public regarding the social issues that impact them on a daily basis.

Our Vision: A community in which all people are full and valued participants.

Our Mission: Through rigorous research, detailed analysis, and community engagement, we deepen community understanding of social planning issues, influence policy, and spark collaborative actions that lead to positive social change.

We thank you for your continued support.

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