

Imagine Canada's Sector Monitor

The uneven impact of the pandemic on Canadian charities

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IN THIS SECTOR MONITOR

Foreword	1
Highlights	2
Introduction	2
Demand and organizational capacity	3
Organizational finances and human resources	5
Mental health & well-being	7
Predictions for the Future	8
Financial and human resources	8
Demand and organizational capacity	11

Foreword

As hard as it is to believe at times, we are now almost 18 months into a global pandemic that has completely altered the way we live, work, play, shop and go to school. Vaccines are now widely available, at least in developed countries, but new variants continue to emerge and it's difficult to predict when - or even if - our lives will go back to the way they were before March 2020.

As our latest Sector Monitor survey shows, the pandemic continues to have a significant impact on most Canadian charities. Few are operating as usual. Some are largely shut down, unable to offer their usual programs and services because of public health measures. More are trying to cope with demands that are beyond - sometimes far beyond - their capacity to meet.

Although the Sector Monitor is a survey of charity leaders, it is individual Canadians who suffer when charities can't provide their programs and services. The data in this report represent children and youth who can't participate in sports and recreation; seniors who can't access day programs they and their families rely on; individuals struggling with mental health and addiction who can't access the support they need.

Imagine Canada has been advocating for charities and nonprofits since the onset of the pandemic and we will continue to do so. Now, more than ever, the services charities and nonprofits provide are essential to the health and well-being of Canadians. We will emerge from this crisis and, when we do, we will need strong charities to rebuild our social infrastructure.

Bruce MacDonald

President & CEO, Imagine Canada

Highlights

Few charities are operating as usual. Over a year into the pandemic, the vast majority of charities are still operating with modifications or have temporarily suspended operations. Only 15% are operating as usual.

Demand for services continues to rise. Nearly half of organizations are reporting increased demand since the onset of the pandemic, up from about a third a year ago. Three in five expect demand to increase in the next few months.

Capacity is not keeping pace with demand. Only a quarter of organizations say their capacity to meet demand has increased and most don't expect this situation to change in the near future.

Impact of the pandemic is uneven. 56% of charities are experiencing demand challenges while 44% are meeting demand. Charities with demand challenges fall into two groups:

- (1) those that have seen significant decreases in demand, largely because they have been unable to operate due public health restrictions (14%); and
- (2) those that have seen demand for their programs and services increase beyond their capacity to deliver (42%).

Charities that have seen significant demand decreases because they are unable to operate are experiencing major challenges. 82% have lost

revenue and the average amount lost is -45.5%. Almost a quarter believe their financial situation will worsen over the next few months. A third say they cannot sustain operations for more than 12 months.

Charities having trouble meeting demand expect the situation to worsen. 70% expect demand to increase further in the next few months, but only about a quarter expect their capacity to increase. One in five believe their financial situation will worsen over the next few months. Almost a quarter say they cannot sustain operations for more than 12 months.

Staffing levels are expected to stay the same or increase. Most charities predict that staffing levels will either stay the same (59%) or increase (25%) over the next few months.

Some hard hit charities are showing signs of cautious optimism. Arts, culture & recreation organizations and organizations that rely on earned income have been among the hardest hit by the pandemic. Some of these organizations are now starting to predict increased demand. Their predictions about capacity, however, suggest their recovery will be slow.

Addressing staff and volunteer mental health and well-being. Half of charities have increased the time and resources they devote to the mental health and well-being of their staff and volunteers but only a third have Employee Assistance Programs or similar supports.

Introduction

This edition of the Sector Monitor looks at how the pandemic is affecting charities more than a year later and at their predictions for the near- and medium-term. It summarizes the responses of 1,232 charity leaders who answered our online survey between April 20th and May 12th, 2021.¹ All

¹ The survey was sent to 4,530 leaders of registered charities with annual revenues of \$30,000 or more that are not religious congregations (about 36,000 or 43% of registered charities meet these criteria). In total we received 1,232 responses, yielding a response rate of 28.5% once undeliverable emails are accounted for.

Figure 1: Current operating situation.

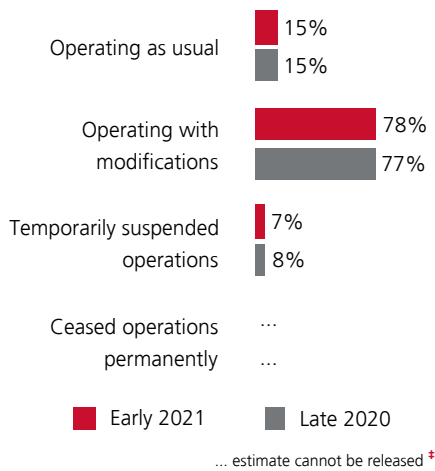
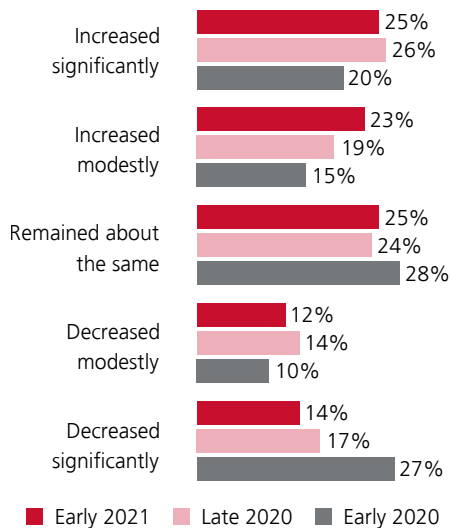


Figure 2: Changes to demand since the beginning of the pandemic.



² Early 2020 results are based on 1,458 responses gathered between April 15th and 28th, 2020. Late 2020 results are based on 1,089 responses gathered between November 3rd and December 4th 2020. Survey scope and weighting strategy for these surveys were identical to the current study.

* Generally speaking, the larger the number of charities contributing to a given figure (or “estimate”) and the more consistent their responses are, the more accurate an estimate is likely to be (i.e., the more likely it is that the estimate derived from survey respondents is close to the true figure for all in-scope charities). When the number of charities contributing to an estimate is small and/or their responses are highly variable, we have marked the estimates with two symbols: “*” means the figure should be used with caution - the zone around the estimate which we believe contains the true population figure is larger than usual, but it is still useful for decision making; “...” means the figure should not be used - the zone around the estimate which we believe contains the true population figure is so large that it is not a useful basis for decision making.

responses are weighted by organization size, activity area, region, principal source of revenue, and the presence of paid staff to produce estimates more representative of the charitable sector. Historical comparisons are based on Imagine Canada’s first and second COVID-19 tracking surveys, which were fielded in Early and Late 2020.² Where sample sizes permit, this report provides breakdowns of results by key organizational characteristics such as organization size, sub-sector, and principal source of revenue.

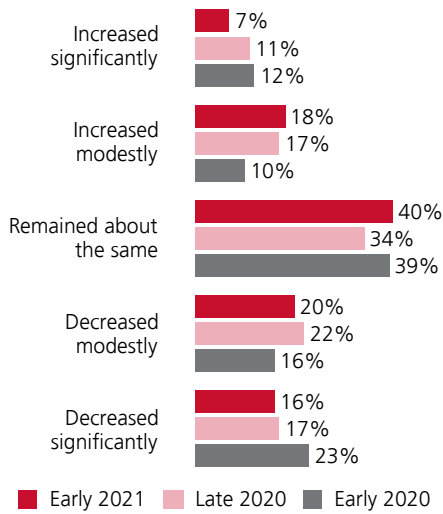
Over a year into the pandemic, the vast majority of charities have either temporarily suspended operations (7%) or are operating with modifications (78%). Only one in seven organizations are operating as usual. These numbers are virtually unchanged from the previous survey (see Figure 1). The modifications undertaken by charities include mitigation measures intended to keep staff, volunteers, and clients safe from infection (e.g., remote work / service delivery, modifications to facilities and procedures) as well as more fundamental changes such as suspending existing programs or developing and delivering new ones. Fewer than ten charities from our respondent pool have given clear indications of permanent closure since the outbreak of the pandemic (either in their survey responses or via auto-replies sent in response to our emails). There were slightly more of these indications in the most recent wave of the survey, but the numbers involved are too small to provide a reliable estimate of the rate of closure.

DEMAND AND ORGANIZATIONAL CAPACITY

As predicted in our last Sector Monitor, demand for the services charities provide has continued to rise. Nearly half of organizations are reporting increased demand since the onset of the pandemic, up from about a third a year ago (see Figure 2). Although demand is increasing more slowly than earlier in the pandemic and is driven by organizations predicting modest growth in demand—as opposed to being more driven by an increase in the organizations experiencing significant growth, as was the case in Late 2020—the trend is continuing. At the same time, fewer organizations are reporting a decrease in demand.

The continued increases in demand would be more manageable if organizational capacity was growing at a similar pace. However, for the most part, it is not. While a quarter of organizations in this most recent survey told us demand for their services had increased significantly, only 7% told us their capacity had increased significantly (see Figure 3). Overall, about twice as many told us that demand had increased as said organizational capacity had increased.

Figure 3: Changes to organizational capacity since the beginning of the pandemic.

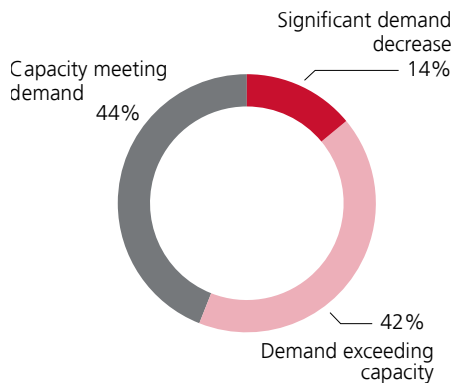


Looking at the interaction between demand and capacity, we can divide organizations into three groups. The first group, which includes about one in seven organizations, is experiencing a significant decrease in “demand”, driven mainly by an inability to provide their usual goods and services because of physical distancing protocols and closure of facilities (see Figure 4).³ The second group, which includes about two in five organizations, is experiencing more demand for its goods or services than it currently has the capacity to deal with. The final group, which also includes about two in five organizations, is able to meet demand. Which of these groups an organization falls into has a significant impact on its experiences during the pandemic and its leader’s predictions for the future.

Arts, culture & recreation organizations are markedly more likely than organizations in other activity areas to have experienced a significant

TABLE 1: Demand / capacity balance by organizational characteristics.

Figure 4: Demand / capacity balance.



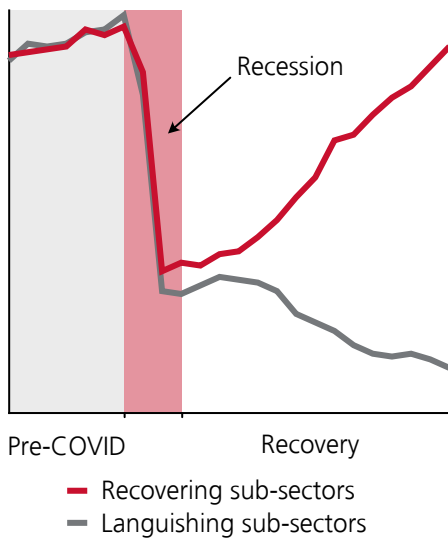
	Capacity meeting demand	Demand exceeding capacity	Significant demand decrease
ANNUAL REVENUES			
\$30,000 to \$149,999	48%	34%	17%
\$150,000 to \$499,999	41%	42%	17%
\$500,000 to \$1,499,999	42%	48%	11% *
\$1,500,000 to \$4,999,999	42%	50%	8% *
\$5,000,000 or more	44%	48%	8% *
ACTIVITY AREA			
Arts, Culture & Recreation	28%	25%	47%
Education & Research	46%	45%	8% *
Health	42%	43%	15% *
Social Services	46%	41%	12%
Philanthropic Intermediaries	51%	47%	...
Other	45%	53%	...
PRINCIPAL REVENUE SOURCE			
Government	46%	41%	13%
Gifts & donations	47%	44%	9% *
Earned income	37%	43%	20% *
Other	41% *	37% *	...
Mixed revenue sources	40%	36%	24% *

³ To be clear, for most of these organizations, it is not that demand has truly significantly decreased, but rather that they cannot conduct their usual activities in pandemic conditions.

* use with caution ... estimate cannot be released

decline in demand, driven by physical distancing requirements (see Table 1). Charities that draw on earned income, either as their primary revenue source or as an element of a mixed revenue generation strategy, are also more likely to have seen significant declines in demand. Mid-sized and larger organizations (annual revenues of \$500,000 or more) are more likely than small organizations to report that demand for their goods and services exceeds their capacity. Philanthropic intermediaries (grantmaking and fundraising organizations) are more likely than other types of organizations to say they have the capacity to meet demand.

Figure 5: Typical K-shaped recovery.



Organizational finances and human resources

Mirroring what is happening in the broader Canadian economy, the financial situation for charities resembles what economists commonly describe as a K-shaped recovery (see Figure 5). In this scenario, after a recession the economy does not follow a single unified trajectory towards recovery. Instead, different parts of the economy follow different trajectories. Some industries or demographics recover (forming the upper arm of the K), while others stagnate or continue to decline (forming the lower arm). The same type of phenomenon appears to be happening among charities, with some types being hit harder by the pandemic than others.

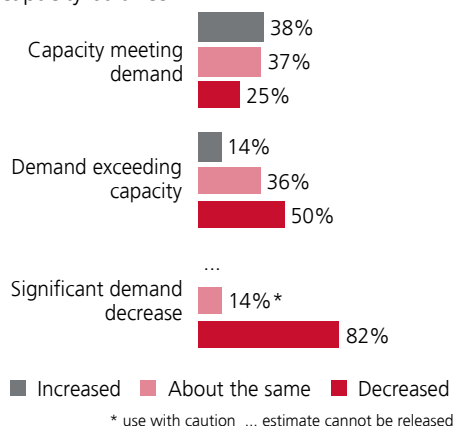
While overall sector revenues have improved somewhat since the onset of the pandemic, with fewer charities reporting declining revenues and the

TABLE 2: Financial impact of the pandemic.

	Early 2020	Late 2020	Early 2021
REVENUES			
Increase	6%	18%	23%
Remain about the same	26%	28%	34%
Decrease	69%	55%	43%
Average change	-30.60%	-15.71%	-10.39%
EXPENDITURES			
Increase	15%	29%	29%
Remain about the same	52%	41%	41%
Decrease	33%	31%	30%
Average change	-0.50%	-0.37%	-1.54%

size of the average decline decreasing (see Table 2), the situation among organizations still seeing revenue declines (i.e., among those on the lower arm of the K) remains as perilous as ever. These organizations have seen their revenue drop by an average -44%, identical to the decline they were reporting in late 2020 (the median decline of -40% is also unchanged).⁴ In contrast, organizations reporting increased revenues have seen them increase by an average of 30% (with a median increase of 20%, down slightly from the median increase of 25% in late 2020).

Figure 6: Revenue change by demand / capacity balance.



The financial experiences of organizations are closely linked to their experiences with demand and capacity. More than four fifths of organizations that have experienced a significant decline in demand since the onset of the pandemic have also seen their revenues drop, as have half of organizations in which demand is growing more rapidly than capacity (see Figure 6). Looking at the amounts involved, charities that have

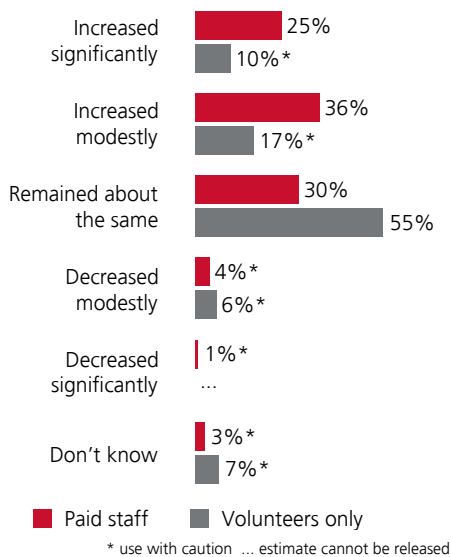
TABLE 3: Changes in revenue and expenditures by organizational characteristics.

	Revenues			Expenditures		
	Increase	About the same	Decrease	Increase	About the same	Decrease
ANNUAL REVENUES						
\$30,000 to \$149,999	23%	31%	47%	28%	44%	28%
\$150,000 to \$499,999	20%	37%	43%	28%	41%	31%
\$500,000 to \$1,499,999	26%	33%	42%	33%	41%	26%
\$1,500,000 to \$4,999,999	19%	41%	40%	25%	42%	32%
\$5,000,000 or more	32%	27%	41%	32%	28%	39%
ACTIVITY AREA						
Arts, Culture & Recreation	10%	19%	71%	17%	39%	44%
Education & Research	18%*	41%	41%	33%*	38%	29%*
Health	16%	31%*	53%	24%*	38%	39%
Social Services	33%	29%	38%	33%	40%	27%
Philanthropic Intermediaries	24%	40%	36%	28%*	45%	27%
Other	23%*	47%	29%*	36%*	46%	18%*
PRINCIPAL REVENUE SOURCE						
Government	28%	44%	28%	35%	42%	23%
Gifts & donations	26%	27%	46%	27%	43%	30%
Earned income	13%	32%*	55%	23%	44%	32%
Other	...	39%*	46%*	...	...	44%*
Mixed revenue sources	20%*	20%*	60%	23%*	36%	41%

* use with caution ... estimate cannot be released

⁴ The median is the halfway point in a set of values; that is, the point at which half the values are larger and half are smaller. So a median revenue decline of -40% means that half the organizations reporting a revenue decline were dealing with declines of more than 40% while half were dealing with declines of less than 40. Medians are commonly used as a supplemental measure of the typical response because they are less sensitive to extreme values. For example, if three hypothetical responses were ordered as 10, 20, 70, the median value would be 20 while the average would be 33. When average and median values are close, as they are with the changes in revenue above, it means that the average is not being unduly influenced by a comparatively small number of extreme responses.

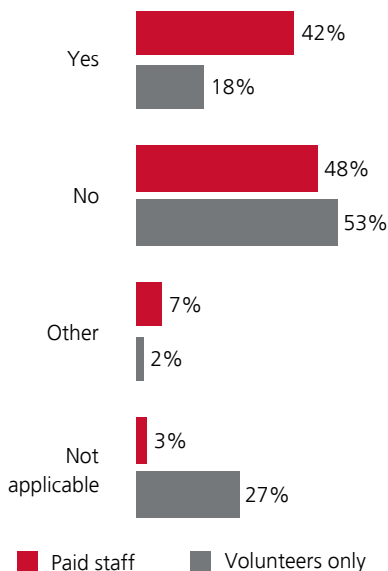
Figure 7: Organizational focus on mental health and well-being since the onset of the pandemic.



experienced significant decreases in demand have seen their revenues decline an average of -45.5%. Charities in which demand exceeds capacity have seen revenues drop an average of -15.6%. The situation is quite different for organizations that are able to meet demand. Three quarters of these organizations have seen their revenues hold steady or increase; on average, their revenues increased 6.2%.

Arts, culture & recreation organizations are markedly more likely than other types of organizations to be experiencing revenue declines, paralleling their experiences with demand and capacity (see Table 3). Health organizations are also somewhat more likely than others to be facing revenue declines, though they have not faced the same significant reductions in demand.⁵ Also under greater financial pressure are organizations with less than \$150,000 in annual revenues and organizations primarily dependent on earned income. These charities, harder hit by the pandemic, are seeing a markedly slower recovery.

Figure 8: Access to Employee Assistance Programs or similar support programs.



Mental health & well-being

Many Canadians are experiencing difficulty coping with the mental stresses of the pandemic. This is not surprising given the number of profound changes that have occurred over a short period of time. People are worried about their own health and the health of those they love. Many are facing social isolation, job loss or drastic changes to their work environments. Others are dealing with a lack of childcare and/or children thrust into remote learning. Those who work and volunteer for charities are not immune from these stresses and organizations have responded. Overall, just under half of charities (49%) have increased the time and resources they devote to employee and volunteer mental health and wellness since the onset of the pandemic.⁶ Organizations with paid staff are significantly more likely to have increased their focus on this area than are organizations run exclusively by volunteers (see Figure 7).

Commonly, at least among larger private sector firms and government organizations, staff are able to draw on mental health and wellness supports through access to Employee Assistance Programs (EAPs). Overall, just over a third (36%) of charities currently have some form of EAP or similar program, while another 3% offer other forms of support, such as in-house counselling, peer supports, or access to supports through another organization. Organizations with paid staff are about twice as likely as those that are exclusively volunteer-run to offer supports through an EAP or similar program (see Figure 8). Interestingly, more than a quarter of

⁵ Among Arts, culture and recreation organizations reporting decreased revenues, the average decline was -59%. For Health organizations experiencing revenue declined, the corresponding figure was -48%.

⁶ 39% have maintained about the same focus and attention while only 7% have decreased it.

Figure 9: Predicted length of operations given current trends.

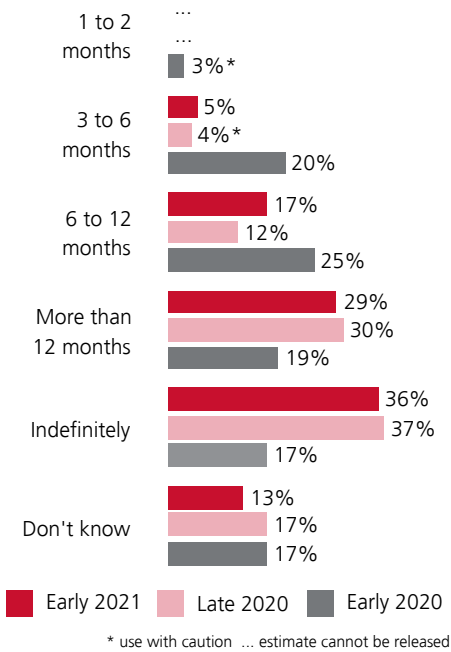
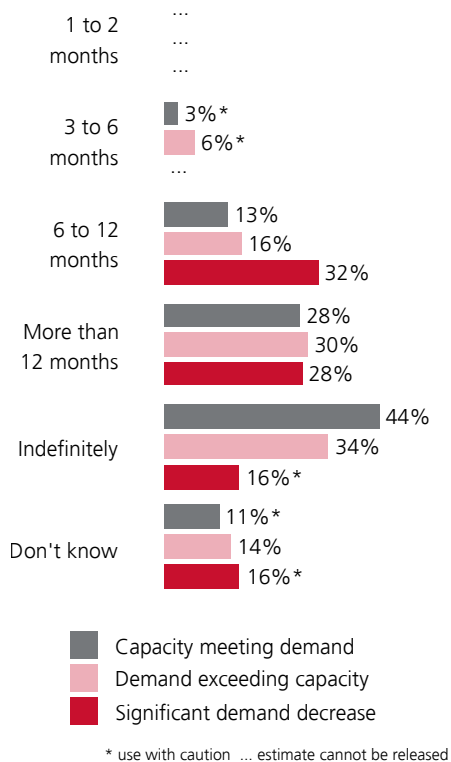


Figure 10: Predicted length of operations by capacity / demand balance.



⁷ The wording for the late 2020 question differed somewhat from the current and early 2020 wordings. In late 2020 the question focused on whether organizations would be able to operate at all, instead of being able to operate at current levels. Given the consistency of response, other than 6 to 12 months, we include it here as a potential datapoint.

volunteer-run organizations believe this question is not applicable to them as they do not have paid staff.

Predictions for the Future

Based on current trends, nearly one in four charity leaders believe their organization will be able to operate for, at most, one more year; up from just under one in six in Late 2020 (see Figure 9). While charities are significantly more optimistic (in the sense of believing they can operate for longer periods in current conditions) than they were at the start of the pandemic, they may be slightly more pessimistic about the future than they were in late 2020.⁷ Between a quarter and a third believe they will be able to function for some defined period longer than one year and just over a third believe they can function indefinitely. Over one in eight are uncertain how long they can function.

Greater optimism about the future is correlated with organizational size, revenue trends and demand / capacity balance. Larger organizations are more likely to forecast being able to operate indefinitely, while smaller ones are more uncertain how long they can continue to operate. A quarter of charities that have experienced revenue decreases during the pandemic believe they will not be able to operate for longer than a year while organizations with increased revenues believe they will be able to operate for longer periods. Finally, organizations that have seen significant decreases in demand are markedly more likely to forecast only being able to continue operating for six to 12 months (see Figure 10). In contrast, organizations that have been able to balance organizational capacity and demand are markedly more likely than others to foresee being able to operate indefinitely.

FINANCIAL AND HUMAN RESOURCES

Overall, charity leaders are somewhat more optimistic about their future finances than they were earlier in the pandemic. Currently, about one in seven (14%) believe their organization's financial condition will improve over the next three to six months; double the proportion that believed this in late 2020 (see Figure 11). About one in six leaders believe their financial condition will worsen, down from one in four in late 2020.

Organizations that have seen significant decreases in demand are less confident about their financial future, with nearly a quarter believing their

Figure 11: Predicted financial health in 3 to 6 months.

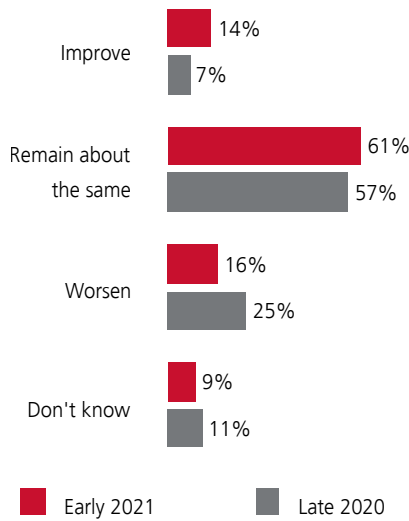
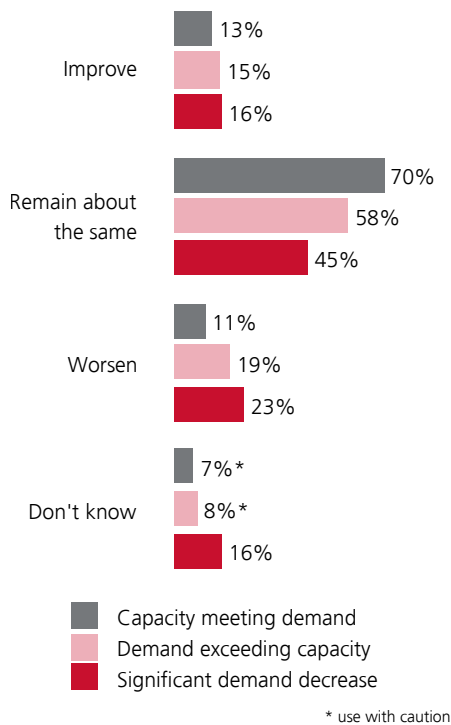


Figure 12: Predicted financial health by demand / capacity balance.



⁸ This association is not perfect, however. In addition to being more likely than average to believe their financial position will improve, the largest organizations (those with annual revenues of \$5,000,000 or more) are also more likely than average to believe it will worsen.

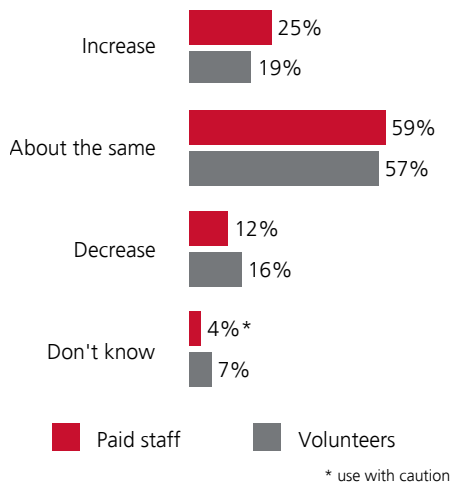
TABLE 4: Predicted financial position and paid staff numbers by organizational characteristics.

	Predicted Financial Position				Predicted Paid Staff Numbers				
	Stronger	About the same	Weaker	Unknown	Increase	About the same	Decrease	Unknown	
ANNUAL REVENUES									
\$30,000 to \$149,999	14%	61%	12%	13%	27%	52%	17%	...	
\$150,000 to \$499,999	11%	64%	16%	9%*	19%	64%	13%	4%	
\$500,000 to \$1,499,999	16%	60%	19%	5%*	24%	61%	13%	3%	
\$1,500,000 to \$4,999,999	19%	58%	16%	6%*	31%	57%	8%*	...	
\$5,000,000 or more	17%	59%	21%	...	29%	59%	11%	...	
ACTIVITY AREA									
Arts, Culture & Recreation	16%	55%	18%	10%	24%	57%	15%	...	
Education & Research	12%	63%	13%	...	23%	60%	15%	...	
Health	9%*	62%	18%	...	22%	63%	...	...
Social Services	12%	60%	18%	10%	27%	55%	14%	...	
Philanthropic intermediaries	21%	60%	14%	...	24%	70%	...	...
Other	14%	71%	10%	...	26%	62%	12%	...	
PRINCIPAL REVENUE SOURCE									
Government	11%	66%	15%	8%	27%	55%	14%	4%*	
Gifts & donations	13%	61%	17%	10%	24%	65%	8%*	...	
Earned income	22%	54%	15%	9%	25%	57%	15%	...	
Other	...	65%	14%	8%	...	83%	...	...
Mixed revenue sources	17%	57%	19%	8%	22%	59%	14%	...	

* use with caution ... estimate cannot be released

already perilous financial position will worsen further over three to six months and another one in six being uncertain what the future holds (see Figure 12). Significantly, organizations that have been able to balance demand and capacity are not more confident their finances will improve, only more confident they will be stable. Looking at revenue experiences, we see a very similar picture with 25% of organizations that have experienced reduced revenues predicting their finances will be even worse in three to six months. Financial predictions also vary according to size, with mid-sized and larger organizations tending to believe their financial position will improve and small organizations being more uncertain about their future finances (see Table 4).⁸ Philanthropic intermediaries stand out as being somewhat more optimistic about their future financial positions, as do organizations primarily dependent on earned income.

Figure 13: Predicted staff and volunteer numbers in 3 to 6 months.



Looking at predictions about human resources, charity leaders are more likely to forecast increases in paid staff than in volunteers. One in four believe the number of paid staff employed by their organization will increase over the next three to six months while only one in five foresee an increase in volunteers (see Figure 13). In relation to paid staff, charity leaders are twice as likely to predict an increase than a decrease. When it comes to volunteers, however, the proportion predicting an increase is only slightly larger than the proportion anticipating a decrease. Overall, leaders seem more optimistic about the paid staff situation than they were in late 2020 when 14% predicted paid staff layoffs and another 25% believed they were a possibility if the conditions then prevalent continued.

As with other predictions, predictions about human resources are significantly affected by trends in revenue, demand, and capacity. Perhaps not surprisingly, organizations experiencing reduced revenues are more likely to predict paid staff decreases (18% predict this). Organizations with increased revenues, on the other hand, are close to twice as likely as the typical organization to forecast paid staff increases (45% vs. 25% for organizations generally). The situation with volunteers is broadly similar. Organizations with reduced revenues are also comparatively likely to predict a decrease in volunteers (24%) and those with increased revenues comparatively likely to forecast an increase, though only modestly so (23% vs. 19% for organizations generally). Paralleling trends with organizational finances, organizations that have seen significant decreases in demand are more likely to forecast reductions in paid staff and volunteers (see Table 5). Similarly, charities that are able to meet demand are more likely than others to anticipate increasing their paid staff complement, though not their volunteer numbers.

TABLE 5: Predicted staff and volunteer numbers by capacity / demand balance.

	Paid staff				Volunteers			
	Increase	About the same	Decrease	Unknown	Increase	About the same	Decrease	Unknown
CAPACITY / DEMAND BALANCE								
Capacity meeting demand	29%	58%	10%*	3%*	18%	62%	13%	7%*
Demand exceeding capacity	24%	61%	11%	3%*	19%	59%	15%	6%*
Significant demand decrease	15%*	58%	22%*	...	21%*	37%	32%	10%*

* use with caution ... estimate cannot be released

Figure 14: Predicted near-term demand for products and services.

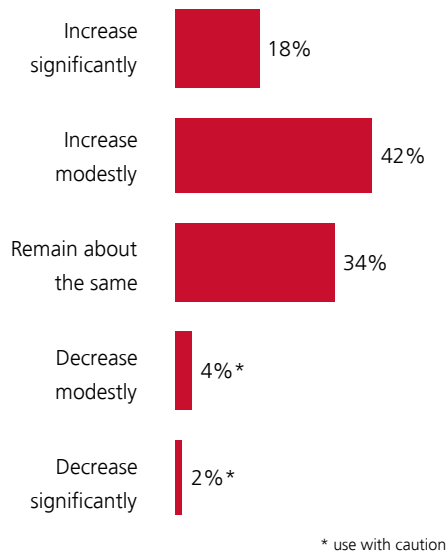
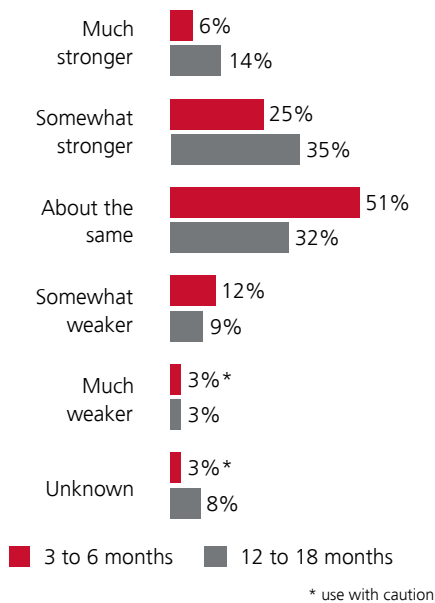


Figure 15: Predicted near- and medium-term organizational capacity.



⁹ The “Other” organizations category includes those working in the areas of Environment, Development & housing, Law, advocacy & politics, and International development & relief.

DEMAND AND ORGANIZATIONAL CAPACITY

Overall, far more leaders are predicting increases in demand for their organization’s programs and services than are predicting increases in organizational capacity. Fully three fifths predict that demand will increase over the next three to six months and nearly one in five believe this increase will be significant (see Figure 14). In comparison, less than a third believe their organization will be stronger in terms of its ability to fulfill its mission over the next three to six months (see Figure 15). Even when the time horizon is expanded to 12 to 18 months, only about half believe their organizations will be stronger.

Leaders of organizations where demand is currently exceeding capacity predict this trend will continue and intensify. More than two thirds of them expect demand to increase further over the next three to six months (see Figure 16), but only about a quarter believe their organization’s capacity will increase over the next three to six months (see Table 6). While the proportion predicting increased capacity increases to just under half, if the horizon for the prediction is expanded to 12 to 18 months, this still trails predicted near-term demand by twenty points. In comparison, leaders of charities that have experienced significant decreases in demand are slightly more optimistic. While they are less likely to believe demand will increase over the next three to six months, they are markedly more likely to believe their organization’s capacity will improve – at least over the next 12 to 18 months. Roughly a third of them (31%) expect both near-term demand and medium-term organizational capacity to be higher, but only 7% predict increased demand combined with decreased capacity.

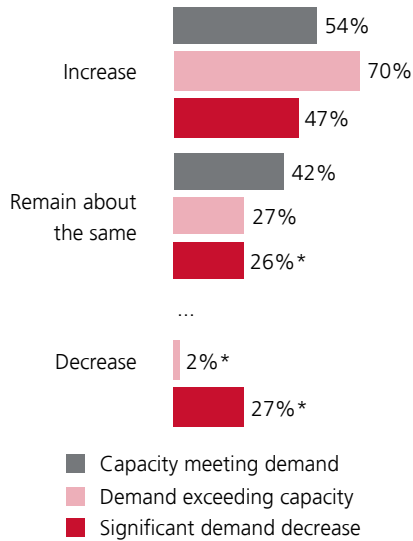
Looking at predicted demand by organizational characteristics, organizations primarily dependent on Government revenue are more likely to predict increased demand, as are Social services and “Other”⁹

TABLE 6: Predicted near- and medium-term organizational capacity by current demand / capacity balance.

CURRENT CAPACITY / DEMAND BALANCE	Predicted capacity in 3 to 6 months				Predicted capacity in 12 to 18 months			
	Stronger	About the same	Weaker	Unknown	Stronger	About the same	Weaker	Unknown
Capacity meeting demand	34%	56%	7%*	...	47%	42%	7%	4%*
Demand exceeding capacity	28%	49%	20%	...	49%	27%	13%	11%
Significant demand decrease	29%	40%	26%	...	57%	18%*	20%*	6%*

* use with caution ... estimate cannot be released

Figure 16: Predicted near-term demand for products and services by current demand / capacity balance.



* use with caution ... estimate cannot be released

organizations, and larger organizations (see Table 7). Interestingly, some organization types most likely to have seen demand decrease may be predicting slight improvements in their situation. While nearly two thirds of Arts, culture & recreation organizations have seen demand decrease, just over half anticipate increased demand. Similarly, while a third of organizations with mixed revenues have seen demand decrease, fully six in ten are predicting increased demand. While these organizations do not stand out as being particularly likely to forecast increased demand, their forecasts do seem somewhat more optimistic than their experiences to date.

Broadly speaking, leaders of smaller charities are less likely to predict increased capacity for their organizations and believe the pace of

TABLE 7: Experienced and predicted demand by organizational characteristics.

	Experienced Demand			Predicted Demand		
	Increased	About the same	Decreased	Increased	About the same	Decreased
ANNUAL REVENUES						
\$30,000 to \$149,999	38%	29%	33%	50%	40%	10%*
\$150,000 to \$499,999	49%	24%	26%	65%	31%	5%*
\$500,000 to \$1,499,999	56%	19%	24%	68%	28%	4%*
\$1,500,000 to \$4,999,999	54%	26%	21%	62%	34%	...
\$5,000,000 or more	60%	26%	14%*	66%	31%	...
ACTIVITY AREA						
Arts, Culture & Recreation	16%*	20%*	64%	51%	33%	15%*
Education & Research	43%	32%*	25%*	47%	46%	...
Health	51%	26%*	23%*	62%	32%	...
Social Services	53%	19%	28%	71%	25%	5%*
Philanthropic Intermediaries	62%	29%*	9%*	51%	46%	...
Other	59%	33%*	...	70%	27%*	...
PRINCIPAL REVENUE SOURCE						
Government	52%	21%	28%	72%	24%	4%*
Gifts & donations	55%	25%	21%	58%	37%	5%*
Earned income	38%	31%*	32%	54%	38%	...
Other	37%	39%*	...	31%*	57%*	...
Mixed revenue sources	42%	24%*	34%	60%	30%	10%*

* use with caution ... estimate cannot be released

improvement will be slower, at least in the near-term (see Table 8).¹⁰ Over the medium-term, leaders of Arts, culture & recreation organizations, Philanthropic intermediaries, and organizations primarily dependent on earned income are most likely to predict greater capacity than at present, but they too anticipate the pace of near-term improvement will be comparatively slow. Significantly, most of these organization types are those most likely to have experienced the greatest pandemic-driven suppression of demand.

TABLE 8: Predicted near- and medium-term organizational capacity by organizational characteristics.

	Predicted capacity in 3 to 6 months				Predicted capacity in 12 to 18 months			
	Stronger	About the same	Weaker	Unknown	Stronger	About the same	Weaker	Unknown
ANNUAL REVENUES								
\$30,000 to \$149,999	23%	56%	17%*	...	41%	41%	13%*	5%*
\$150,000 to \$499,999	32%	52%	13%*	...	50%	26%	11%*	13%*
\$500,000 to \$1,499,999	35%	45%	18%	...	49%	31%	11%*	9%*
\$1,500,000 to \$4,999,999	38%	48%	11%*	...	57%	27%	12%*	5%*
\$5,000,000 or more	42%	43%	15%*	...	64%	26%	7%*	...
ACTIVITY AREA								
Arts, Culture & Recreation	30%	45%	20%*	...	60%	21%	13%*	6%*
Education & Research	32%	52%	10%*	...	47%	35%*	8%*	10%*
Health	38%	37%	21%*	...	41%	30%*	19%*	10%*
Social Services	33%	50%	15%	...	47%	31%	14%*	8%*
Philanthropic Intermediaries	27%	62%	10%*	...	52%	35%	6%*	...
Other	27%	56%	17%*	...	42%	42%	...	...
PRINCIPAL REVENUE SOURCE								
Government	33%	55%	10%*	...	48%	31%	12%*	9%*
Gifts & donations	31%	50%	16%	...	50%	33%	12%*	6%*
Earned income	32%	46%	21%*	...	54%	29%*	10%*	...
Other	...	56%*	...	...	22%*	56%*	...	...
Mixed revenue sources	30%*	49%	14%*	...	54%	22%*	10%*	13%*

* use with caution ... estimate cannot be released

¹⁰ Lower predicted strength in 3 to 6 months, combined with high ratios of greater strength in 12 to 18 months to greater strength in 3 to 6 months indicate the pace of growth will be slower.

Imagine Canada's Sector Monitor: The uneven impact of the pandemic on Canadian charities

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