

Submission to 2025 Federal Pre-Budget Consultations

By the Federal Nonprofit Data Coalition

As organizations:

BridgePoint Center for Eating Disorder Recovery
Calgary Chamber of Voluntary Organizations (CCVO)
Capacity for Impact Consulting
Circle on Philanthropy
Community Sector Council Newfoundland and Labrador
DARO
EmbraceHealthFoundation
Foundations Learning & Skills Saskatchewan
Imagine Canada
National Alliance for Children and Youth
Network for the Advancement of Black Communities (NABC)
Ontario Council of Agencies Serving Immigrants (OCASI)
Ontario Nonprofit Network
Philanthropic Foundations Canada
Pillar Nonprofit Network
Relèven
Resilient Kids Canada
Sherry Baker Consulting
Volunteer Canada
Volunteer Ottawa
YWCA Toronto

As individuals:

Dr François Brouard, Carleton University
Nathan Grasse, Carleton University
Dr Bruce Martin, Thompson Rivers University
Jacqueline Musabende

Summary of recommendations

Recommendation 1: We recommend the federal government provide Statistics Canada with a mandate to carry out regular updates to the national survey of nonprofit organizations, to be repeated every year, and provide funding of \$500,000 annually for this purpose. The survey should include grassroots (unincorporated) organizations.

Recommendation 2: We recommend the federal government provide \$750,000 to establish a unit within Statistics Canada whose mandate is to collect, analyze, and share data on the nonprofit sector.

Recommendation 3: We recommend the federal government provide \$2 million in 2025-26 and \$1 million ongoing for creating and maintaining a Canadian Nonprofit Data Lab.

Context

From providing food aid, housing, and job training to running festivals, theatres, and sports leagues, nonprofits are present in communities across the country, improving the social and economic lives of Canadians and their overall quality of life. Our sector is also a major economic driver, contributing 8.3% of Canada's GDP and employing 2.8 million people as of late 2023.¹ Governments at all levels also rely on nonprofits to efficiently and effectively deliver essential programs and services they would otherwise have to provide themselves. Many of these are specifically aimed at underserved groups such as women, racialized people, Indigenous people, persons with disabilities, newcomers, members of the 2SLGBTQ+ community, and official language minority communities.

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

The impacts of this data deficit are wide-reaching. Policymakers don't have the data they need to make informed, timely decisions during crises. In ordinary times, the government makes nonprofit sector policy on issues such as the disbursement quota, tax incentives, and funding for non-charities based on limited and outdated information. Research within the sector is hamstrung by a lack of basic information, such as how many nonprofits there are, where they are, and what they do. The day-to-day decision-making of organizational leaders also suffers.

¹ [Statistics Canada. Non-profit institutions and volunteering: Economic contribution, fourth quarter 2023](#)

Lack of data on occupations in the sector, career paths, pay rates, or skill development needs makes it difficult to manage the sector's diverse and growing labour force and plan for the future. Lack of data on the services delivered by nonprofits and the populations they serve makes it difficult to identify and fill service gaps. Organizations of all types struggle to do strategic planning without key data on their operating environment.

As we have begun to see modest but meaningful progress on data collection about the nonprofit sector at Statistics Canada, a new challenge has emerged. There is currently a lack of coordination and communication across teams collecting various types of data and a lack of subject-matter expertise relating to our sector. This has resulted in the release of data products that scope and define the sector differently, resulting in data sets that are not comparable and paint very different pictures of our sector. This creates confusion and distrust among users, which leads to less uptake. To maximize the return on investment and impact generated by Statistics Canada's data collection efforts in relation to our sector, the agency needs to adopt a more intentional, coordinated approach and build internal subject-matter expertise.

We are proposing three interrelated solutions to the challenges we have outlined: (1) an annual national nonprofit survey to fill key data gaps; (2) a nonprofit sector unit within Statistics Canada to lead this survey while also creating a more coordinated, intentional approach to the agency's overall data collection on the sector; and (3) an external Nonprofit Data Lab, built as a partnership between Statistics Canada and the sector, to increase the uptake of Statistics Canada's data on the sector and greatly increase its impact. Taken together, these targeted investments would address the nonprofit sector's data deficit and lead to improved decision-making within the sector and government.

Carry out an Annual National Nonprofit Survey

In early 2024, Statistics Canada released data on the nonprofit sector collected through a special module of the Canadian Survey of Business Conditions. This is the first time since the 2003 National Survey of Nonprofit and Voluntary Organizations (NSNVO) that Statistics Canada has conducted such a large-scale survey of the sector. Although significantly smaller in scope and sample size than the NSNVO, the survey gave us crucial insights that we haven't had in decades into the size and scope of the sector, its finances, its leadership, and who it serves. For example, we learned that 55% of the sector is made up of organizations with no paid staff. This piece of information emphasizes the importance of making public policy for the sector that accounts for the operating realities of entirely volunteer-led organizations.

This basic, essential information will help governments, funders, researchers, and nonprofits understand some of our sector's key features and help us make more effective and efficient strategic, funding, labour force, resource allocation and public policy decisions.

Major data collection on the sector shouldn't be a once-in-twenty-year occasion. In a rapidly changing environment, data becomes out-of-date quickly, and without comparison points, we

cannot see trends. For instance, without regular data collection between 2003 and 2024, it is hard to determine the impact the COVID-19 pandemic had on some key indicators. In an era of data-driven decision-making, allowing decades to pass before we update the data collected in 2024 would be unacceptable.

This survey was conducted through an existing platform, making it cost-effective and fast. Now that the first survey has taken place, it will be easily replicable in future. The survey could repeat some key questions and also include questions that speak to current challenges and opportunities in the sector, allowing for both analysis of key trends and timely data on emerging issues.

Recommendation 1: We recommend the federal government provide Statistics Canada with a mandate to carry out regular updates to the National Nonprofit Survey, to be repeated every year, and provide funding of \$500,000 annually for this purpose. The survey should include grassroots (unincorporated) organizations.

Creation of a nonprofit sector unit within Statistics Canada

As Statistics Canada begins to collect and release more data related to the nonprofit sector, the lack of coordination and communication across teams has become apparent. This has resulted in the release of data products that scope and define the sector in different ways, leading to confusion, distrust, and missed opportunities to link and combine data from different sources to garner new insights. It also means that the agency struggles to establish and maintain the subject-matter expertise required to collect and mobilize data on the sector efficiently and effectively.

To maximize the impact generated by Statistics Canada's efforts in relation to our sector, the agency needs to adopt a more intentional, coordinated approach. A permanent unit within Statistics Canada focused on the sector could coordinate with units collecting and analyzing data about the sector such as the Satellite Account on Non-profit Institutions and Volunteering and the General Social Survey on Giving, Volunteering & Participating to improve data collection and dissemination practices. It could work with other units to collect and release data on nonprofits by default in business surveys, a low-cost and high-impact way to get more data on the sector. Crucially, it could also take the lead on the Annual National Survey of Nonprofits. The unit would serve as the sector's main point of contact with the agency and, eventually, unit staff would become Statistics Canada's in-house experts on the nonprofit sector, increasing the agency's effectiveness and efficiency in all of its nonprofit sector data activities.

Recommendation 2: We recommend the federal government provide \$750,000 to establish a unit within Statistics Canada whose mandate is to collect, analyze, and share data on the nonprofit sector.

Establishment of a Nonprofit Sector Data Lab

Many users struggle to access and apply Statistics Canada's data, meaning that this data is not reaching its full potential to improve the lives of Canadians. The government recognized this problem in relation to the business sector in 2022 when it invested \$2.8 million in the creation of the Business Data Lab, an external entity created as a partnership between the Canadian Chamber of Commerce and Statistics Canada. Recognizing the value of the work being done by the Business Data Lab, the Government announced a further investment of \$7.3 million in Budget 2024.

The Business Data Lab aims to help businesses of all sizes, particularly small and medium-sized enterprises, navigate the economic landscape more effectively. It provides a space for businesses, policymakers, and researchers to work together to ensure that data and research are useful and effective. It uses advanced data visualization tools to render complex information more accessible and easily understandable to a broad range of users. It has created a framework that allows researchers working outside of Statistics Canada to safely and securely access data. Future plans include developing training modules to empower business leaders to use the Lab's tools more effectively.

We believe that a Nonprofit Sector Data Lab, created in a similar way as a partnership between Statistics Canada and the nonprofit sector, would provide similar benefits to charities, nonprofits and other social purpose organizations. Nonprofit organizations, policymakers in the social development space (including those at ESDC and other federal departments), and researchers in a wide range of disciplines also require access to high-quality data to do their work effectively. The social and environmental challenges facing Canada are as serious and urgent as the economic challenges. To address these issues effectively, we need to increase the use of data to make evidence-informed decisions.

The Lab would have an important role to play in mobilizing and encouraging uptake of the results of the annual National Nonprofit Survey, along with other key data products about the sector. Funding the Lab is a modest investment that would greatly increase the return on investment of all of Statistics Canada's data collection on the nonprofit sector. Additionally, the Lab could play a role as a key external interlocutor and partner to the new nonprofit sector unit within Statistics Canada.

Recommendation 3: We recommend the federal government provide \$2 million in 2025-26 and \$1 million ongoing for creating and maintaining a Canadian Nonprofit Data Lab.

About the Federal Nonprofit Data Coalition

This group includes representatives of nearly 50 nonprofits and advances the sector's priorities relating to data collected by the federal government.

Contact

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