

**The Impact of Covid-19 on Ontario's Charitable Sector**  
*Submission to the Standing Committee on Finance and Economic Affairs*

August 24, 2020

Charities in Ontario have risen to the unprecedented challenge of Covid-19. As the province shut down, there was and continues to be a very real risk that our most vulnerable residents would feel forgotten, isolated both physically and socially. Charities work tirelessly to prevent that from happening.

Maintaining safe, consistent service delivery in the midst of a pandemic has come at a cost. All charities rely to some degree on the generosity of their community—however as many people worry about their own job security, donations have declined considerably. Charities have made every effort to continue supporting their clients, tapping into reserves and accessing wage subsidies and government loans—but these are only temporary measures that fail to fully address the dire financial situation facing many charities in Ontario.

A recent survey from the Ontario Nonprofit Network and the Assemblée de la Francophonie de l'Ontario found that one in five charities are at risk of closing their doors permanently within the next six months. The same survey found that many charities are facing increased demand during the Covid-19 pandemic, as new and longtime clients alike struggle to cope with the mental, physical, social, and financial strains of this crisis.

The Alzheimer Society of Ontario has seen an average year-over-year decline of 25% in all revenue during the Covid-19 pandemic—33% when temporary government assistance initiatives, such as the Canada Emergency Wage Subsidy, are excluded. This is not a sustainable situation.

To protect the vital programs offered by Ontario's charities, as well as the jobs of tens of thousands of employees in the charitable sector, we make the following recommendations:

1. Commit to maintaining existing funding agreements with charitable agencies at or above current levels.
2. Implement a program to match donations made to Ontario charities, similar to an initiative launched by the Government of Alberta between April 15 and May 31 2020.
3. Make the provincial portion of the Charitable Donation Tax Credit refundable for 2020 and 2021, giving charitable donations similar tax benefits as those made to political parties.

As well, the Alzheimer Society is fully supportive of calls for a stabilisation fund for the charitable and not-for-profit sector, made in submissions from the Ontario Nonprofit Network, Heart & Stroke, and others.

We thank the Committee for the opportunity to provide our feedback and recommendations. To discuss further, please contact:

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