
Sector News Digest — April 7, 2020

Title: Sector News Digest — April 7, 2020

Author: Christina Palassio

Published in: *The Philanthropist*, News Digest

ISSN: 2562-1491

Date: April 7, 2020

Original Link: <https://thephilanthropist.ca/2020/04/sector-news-digest-april-7-2020/>

Date of PDF Download: July 9, 2020

Editor's note: *A lot has happened in the past two weeks. In addition to our continuing in-depth coverage of how the COVID-19 crisis is affecting charities and the non-profit sector, we're also shifting the focus of our biweekly digest to the pandemic so we can provide you with the latest responses and resources.*

Non-profits eligible for wage subsidy, but questions remain

On April 1, the federal government announced that [businesses, charities and non-profits that experience a decrease in revenue of at least 30%](#) because of COVID-19 will qualify for the Canada Emergency Wage Subsidy, which will cover 75% of an employee's salary up to \$847 per week, or \$58,700 for one year. The program will be in effect from March 15 to June 6, 2020. While the news was welcomed by charities affected by the crisis, proving that 30% decline won't be straightforward for many organizations. The government said it will work with charities to ensure the definition of revenue makes sense for their circumstances, but those details remain unclear.

Some of Ottawa's assistance has been more targeted. Late last week, Prime Minister Trudeau [announced \\$100 million](#) for food-based organizations dealing with a surge in demand. The feds also provided \$7.5 million to Kids Help Phone, a telephone-based mental-health support line, and \$9 million for the United Way of Canada for programs for seniors.

[On April 4, Trudeau also confirmed the details of the \\$207.5 million commitment he had announced in late March, including](#) \$26 million in funding to Women's Shelters Canada, \$4 million to the Canadian Women's Foundation to support sexual assault centres, and \$10 million to Indigenous Services Canada to support emergency Indigenous women's and children's shelters on reserves and in the Yukon. He also announced \$157.5 million in funding for

Reaching Home to support people experiencing homelessness.

There have been a few symbolic gestures, too. Trudeau, federal and provincial party leaders, and several elected officials and senators announced they'll donate automatic salary increases to charity. For MPs, that works out to be approximately \$3,750.

Parliamentarians of all stripe push for relief

In a letter made public on April 6, Senator Ratna Omidvar called on the Liberal government to adopt a handful of targeted policy measures meant to support the hard-hit charitable sector. Omidvar, the co-chair of the [Senate special committee on the charitable sector](#), recommended that federal agencies automatically renew existing funding arrangements with charities or non-profits with minimal red tape.

She also proposed a “temporary moratorium” on federal restrictions that limit donations to qualified donees. Such a move, the former Maytree Foundation president wrote, would “allow charities and foundations to form partnerships with nonprofits, social enterprises, private businesses, and community organizations to ensure that important services are effectively delivered during this extraordinary crisis.”

Conservative Party of Canada leader Andrew Scheer also urged Ottawa to adopt measures to assist the charitable sector, including a proposal to increase the charitable-donation tax credit. “While the need for these services increases, the donations these groups rely on have dramatically declined,” he said.

Sector calls for stabilization fund

It's a story that sent shivers through the charitable sector. Last week, the Canadian Cancer Society reported it had let go a third of its staff across the country. Diabetes Canada cut its workforce by half, and YMCAs in Canada temporarily laid off 20,000 employees across the country, representing three quarters of their workforce.

To head off further closures or service cutbacks, a coalition of more than 200 Canadian charities has called on [the federal government to establish a \\$10-billion stabilization fund](#) for the sector. “My honest prediction is that at least half of Canadian charities will not withstand the COVID-19 crisis unless there is significant government action on this,” said Dr. Samantha Nutt, founder of War Child Canada, one of the signatories. “It's just inconceivable that we can [survive]. We, by design, do not have the access to credit or financial reserves that would enable us to withstand something like this.” (Senator Ratna Omidvar, in her letter to the government, added her voice to those calling for a stabilization fund.)

The evidence to support the need for such a move is growing by the day. On April 6, the Ontario Nonprofit Network released a [survey](#) of 483 organizations conducted last month. It showed that three quarters have experienced some form of disruption, and almost a fifth have had to close down, at least temporarily. Seventy-five percent of respondents had seen their revenue impaired, with arts organizations reporting the steepest losses.

Changes to federal reporting requirements

The Canada Revenue Agency's Charities Directorate has postponed the T3010 filing deadline to December 31, 2020, for all charities with a return due between March 18, 2020, and December 31, 2020. The Directorate has also suspended operations until further notice. Tax lawyer Mark Blumberg [has some advice](#) for organizations that need or want to make submissions during the closure.

Foundations step up their grant-making

Philanthropic Foundations Canada and other major funders [have drafted principles](#) to guide members' efforts to support grantees through the crisis, a time when many foundations have also seen their endowments significantly affected by the market crash.

Several larger foundations are taking up the charge by increasing funding and reporting flexibility, and making significant new commitments. La Fondation Lucie et André Chagnon is continuing existing funding commitments but also [announced a \\$1 million donation to Centraide \(UW\) Quebec](#) to support communities across the province. The Slight Family Foundation [donated \\$3 million](#) to four national food organizations. [President's Choice Children's Charity also announced new funding](#) to food organizations. The Lawson Foundation [launched a \\$2.7-million rapid-response fund](#) to support London, Ontario, organizations, Indigenous communities, and other initiatives. The McConnell Foundation is increasing its grant budget for the year to come and is advancing payments. And the Canadian Women's Foundation [launched the #TirelessTogetherFund](#) to support additional needs for its programs. (Note to readers: if you are aware of other foundations making such moves, please include a link in the comment box below.)

Events go online

Hundreds of fundraising events have been cancelled since physical distancing measures were announced—the [Canadian Cancer Society alone says it has halted plans for 300 Daffodil Month events in April](#). But for organizations that can, making the move online is keeping some hope alive. CARE Canada made an early shift, turning its annual [Walk in Her Shoes event on March 8 into a virtual event](#). Camp Ooch's annual 10-kilometre run [became #WeStillRunforOoch](#) days after social distancing was announced in Toronto. And the WWF's CN Tower Climb has turned into the [#VirtualCNTowerClimb](#).

A global response to a global pandemic

At the end of March, Karina Gould, minister of international development, [announced that Canada would contribute \\$50 million toward international humanitarian aid](#), in response to an emergency appeal from the United Nations. This week, the Canadian Council for International Cooperation and 140 organizations called for Canada's Official Development Assistance envelope to be increased as part of the government's COVID-19 response. Canada's international cooperation sector is composed of 2,000 organizations and invests more than \$5 billion annually to support global sustainable development and humanitarian assistance.

Resources for charities and non-profits

Imagine Canada has pulled together [a helpful round-up](#) of all pandemic-related changes and benefits the sector can access, as well as a [list of resources for Canadian fundraisers](#). There's

some timely guidance for boards as well, from [BoardSource, which has outlined directors' roles in a time of crisis.](#)