

Alberta Nonprofit Data Strategy: Community Nonprofits across Canada

Second quarter 2022

Rising Demands on Employees

Community nonprofits are reporting quarterly on how they are doing through the Canadian Survey on Business Conditions.¹ In the second quarter of 2022, 33% of community nonprofits saw their current position worse in comparison to pre-pandemic (2019), with 18% seeing themselves as better. This finding supports that the COVID-19 pandemic has had lasting effects on the nonprofit sector. In the short term, community nonprofits showed signs that they were stabilizing. More organizations reported expected increases in operating income (21%) than decreases (9%). In previous quarters more organizations showed decreases in income, which were strongest early on in the pandemic and as COVID-19 waves appeared and led to restrictions. In addition, expected demand is² increasing (38%), paired with corresponding increased expenses (51%) and decreases in cash reserves (29%).

One major ongoing area of concern for community nonprofits is around employees, with a majority of organizations (61%) reporting that it is more challenging to recruit and retain staff compared to last year. Staff are an essential aspect of service delivery in the community nonprofit sector, with about 40% of community expenses allotted for compensation.³ As an impact of these obstacles on employees, organizations expect that management (54%) and other staff (56%) will have increased hours and it will be less possible to hire suitable candidates (44%). Furthermore, organizations expect



that labour obstacles will limit their growth (40%), reduce goods and services offered (19%), and delay orders (8%). As a way to increase recruitment and retention, wage increases and adding benefits, such as work-from-home options, were discussed by many nonprofits last quarter.² Unfortunately, the current high inflation (8.1% in June 2022)⁴ is being discussed as an issue to wage increase discussions by 55% of organizations.

Growing demand and ongoing staffing issues are an important conversation for community nonprofits moving forward due to the importance of staff to the sector. Addressing these issues early on is important due to their lasting nature. Staff loss is discussed as leading to increases in work hours and difficulties in hiring, and overwork is connected to burnout which can lead to further staff losses, as well as other impacts on staff well-being.

1. Statistics Canada, Canadian Survey on Business Conditions, second quarter 2022
2. PolicyWise for Children & Families, Alberta Nonprofit Data Strategy: Canadian Survey on Business Conditions, First Quarter 2022. From Statistics Canada data
3. Statistics Canada, Satellite Account of Non-profit Institutions and Volunteering
4. Statistics Canada, Consumer Price Index, June 2022