



CHARITY BRIEF Niagara Discussion Circle

ABOUT

On 29 May 2025, the LCC hosted a discussion circle at <u>Niagara Community Legal Clinic's</u> south office building in Welland, ON, with representatives who work or have worked with the following charitable organizations in the Niagara region:

- Southridge Community Church
- Fort Erie Native Friendship Centre
- Positive Living Niagara
- OUTNiagara
- Future Black Female
- Birchway Niagara

LIVING CHARITY

What should the Canadian public understand about the nature and needs of charities and the charitable sector in general?

- Role of charities
 - The values of the Canadian public generally align with the work of the charitable sector. Charities work upstream of our common values. The public should care about the most marginalized and vulnerable members of our community because their success is in our collective interest.
 - o The sector's contribution to society is both economic and social, and it is brimming with creativity and innovation. Yet, there is a general lack of public recognition of how much critical work is done by charities within their communities.
 - The social services that charities provide is often more difficult, public-facing, and resourceintensive than the services that governments provide. The decision to have some services delivered by the government and others left to the charitable sector can feel arbitrary and lacking in empirical evidence.
- Funding and financing
 - Funding is often directed to organizations catering to communities that look most like the decision makers. New organizations serving new populations face unique and additional challenges securing resources to achieve their missions. Small organizations are also at a significant disadvantage.



- o Charities are fighting for scarce resources given the current economic reality. This scarcity forces decision-makers and funders to determine who is most in need and who is most worthy of help.
- Short-term charitable funding is not sustainable. The resource drain in administering a grant is amplified when the administrative burden is high compared to the short timeframe and small amount of funding. Too often, grants have no provision for funding beyond their short timeframe (frequently as little as one year).

Staffing challenges

- o There is a belief that if you are doing charitable work, you should not be paid well for it, and that if you are getting paid too much, you are not being charitable. Many staff at charitable organizations have part-time jobs because they cannot afford to do only charitable work.
- o The charitable sector is a particularly hard one to work in, often dealing very directly with trauma.
- The public expects charities to operate with minimal administrative staff and the reluctance to support administrative costs leads to a reluctance to support a cause. Charity administration is crucial to perform complex activities in grants, fundraising, and compliance. It requires deep knowledge in the sector to perform effectively. The burden of the grant process, however, can devalue the charitable sector in the eyes of staff, thereby impacting morale.
- There is a broad deficit of leaders with lived experience of oppression or poverty within charitable sector with anti-oppression or anti-poverty mandates.

PURSUING CHARITY

What challenges do charities face in their work that might act as a barrier to achieving their mission?

- Charitable regulation
 - Networks of charities and not-for-profits (e.g. networks of poverty mitigation agencies) cannot themselves become charities. This impedes effective fundraising by the networks, and thus the co-operative potential and social good that agency networks are able to realize.
 - To qualify for grants, charities must typically demonstrate that they have very little to no money.
 They are disincentivized from properly stewarding assets and resources in a way that ensures their ongoing sustainability.
 - Grantors typically expect surpluses to be returned to the funders at the end of the fiscal year, preventing charities from prudently saving and encouraging hasty spending prior to the fiscal year-end.
 - Social enterprise laws are such that a charities cannot run a profit-making venture unless the venture is volunteer-run and completely related to the agency's mandate. These rules make the operation of potentially lucrative social enterprises all but impossible for the sector.
 - o Charitable status limits advocacy that organizations can undertake. Minority voices have been historically silenced because they need to preserve funding sources.





Collaboration

- There is significant overlap and duplication among charities. A scarcity mindset can prevent organizations from working together and encourages territorial thinking to preserve limited funding sources.
- Government often has data that is relevant to the work charities are doing, but charities lack access to this data. In fact, many charities fear that any data they provide to government could expose the organization to unintended consequences.

RENEWING HOPE

What are the possibilities for the future in the charity sector and how should its importance be conveyed from generation to generation of Canadians?

- Focus on grassroots
 - Charities identify the needs of the individuals, groups, and communities they serve through direct, open, and non-judgmental engagement with folks on the ground. Over time, mutual trust and confidence is developed, allowing charities to collaborate with their clients and do the work more effectively.
 - Those doing the work on the frontline are acting from a place of humanity and informed practice. They are closest to the problems that people are facing, and they often know best how to solve these problems. Governments might have money to spend on problems, but it is the people at the grassroots who know how to spend it strategically.
 - Seeing individuals change and evolve, even in small scale transformations through stories about people on the ground, eventually adds up to systemic change.
- Focus on generations past and future
 - Youth make large and inspiring contributions to the sector. Organizations benefit from seeking the input and engagement of youth in their activities.
 - Some charitable organizations look to ancestors for guidance and encouragement in the belief that nothing is new under the sun.
 - Over time, charities are learning to be more cooperative and less siloed.

