

Pushing the Limits

Challenges of Halton's Nonprofit and Voluntary Sector Labour Force

TECHNICAL REPORT



January 2007



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DEDICATION

This study is dedicated to the staff and volunteers of the nonprofit and voluntary sector who work tirelessly to build and keep our communities in Halton healthy, safe, nurturing and vibrant. Their efforts build networks of trust and opportunity for all to belong.

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Preface and Acknowledgements

Pushing the Limits: Challenges of Halton's Nonprofit and Voluntary Sector Labour Force grows out of and complements efforts to understand better the importance of this sector in building an economically prosperous and socially inclusive society. This study has informed the deliberations and recommendations of the Chairman's Roundtable on the Non-Profit and Voluntary Sector. The Halton community's experience indicates that all is not well in this sector and that as its capacity diminishes, so too does the capacity of caring in community, so does our social capital.

As a community, we ask much of this sector and have high expectations that it provide social supports to the many over their life course, that it act as an engine for citizen engagement, that it represent and articulate the interests of citizens, and that it continue to make an important contribution to the economic prosperity of Halton. Yet, as a community we know little of the work of the sector and the demands we place on the sector's paid staff and volunteers. *Pushing the Limits* is a journey of investigation that takes the pulse of a sector and that of its human resources. It indicates that the pulse is erratic and weakening and that the sector is in distress, threatened and unstable.

This document establishes the economic contribution of the sector to Halton's GDP which clearly moves it from the shadows of the economy to a role as significant contributor. The five challenges that need to be met if the nonprofit and voluntary sector is to prosper lie in:

- i) the area of gender equity and balance
- ii) the capacity to compete for educated and qualified workers
- iii) the need to engage the workforce of the future
- iv) the capacity to nurture volunteers as an essential and valuable asset, and
- v) the ramifications and risks of processes of concentration and consolidation in the sector.

The information and understandings flowing from a project of this magnitude are the product of the experience and knowledge of the many workers and volunteers in Halton's human services sector. Acknowledgements formalize but understate the great generosity of so many that participated in the journey of investigation that was to become this study, *Pushing the Limits: Challenges of Halton's Nonprofit and Voluntary Sector Labour Force*. I thank the human service agencies that participated in the study, taking time from their already overloaded world of work to fill out an onerous questionnaire, to share their financial statements with the project research team and to participate in focus groups that "drilled down" to uncover greater insights on human resource issues in the sector. Your thoughtful and measured comments have allowed the research team to outline some of the salient challenges faced by the sector and, most importantly, to develop strategies for future action that, when implemented, will contribute to the revitalization of the sector. I hope the findings and conclusions of this work will give strength to your continued efforts.

A very special thank you to the study's Research Advisory Committee who offered important advice, not to mention encouragement, at the many junctures that occur in a

study of this magnitude. Most important has been their commitment to document the changing landscape shaping the labour force, paid and unpaid, in the human services sector in Halton. They believe that a strong foundation of knowledge is the basis for strategic action to revitalize and make sustainable a sector pushed to the limits. The members of the Research Advisory Committee are:

Kathy Mills, CAO	The Centre for Skills Development & Training
Alison Pickard, Past CEO	United Way of Oakville
Darrel Skidmore, CEO	United Way of Burlington & Greater Hamilton
Dick Stewart, President	Community Development Halton
Adelina Urbanski, Commissioner	Regional Municipality of Halton

Community Development Halton (CDH) embarked on this project in the belief that knowledge of our human resource issues is essential to building the capacity of the sector which, in turn, is necessary for the development of healthy and inclusive communities. All of the staff at CDH contributed to the successful completion of this study. The research team could not have anticipated the scale of the work that would be demanded and I am most grateful for the time and energy they devoted to this work.

Thank you to Ted Hildebrandt and Abi Salole, for the meticulously detailed work related to the collection, organization, analysis and display of data generated by the study. I am grateful to Richard Lau as he used his magic to turn figures into graphs that captured visually the story unfolding. Special thanks to Jenny McKnight and Sonya Mackey who provided administrative assistance. Glynis Maxwell turned her editor's eye on the documents flowing from the study and I am most appreciative of her help.

The analysis of the human resource challenges in *Pushing the Limits* came to life under the critically analytical perspective of Principal Investigator, Peter Clutterbuck. I thank Peter for his passion and understanding of the nonprofit and voluntary sector and his commitment to the changes that will make both the sector and community prosper. I am thankful to CDH's Board of Directors who never wavered in their support of this research.

Lastly, this work could not have been carried out without the financial support of Service Canada, the Regional Municipality of Halton, the United Way of Burlington & Greater Hamilton and United Way of Oakville. I thank them for their support.

Joey Edwardh
Executive Director
Community Development Halton
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1. Introduction

In the last year, Community Development Halton (CDH) has conducted research on the human resource base of the nonprofit human services sector in Halton. This included gathering and analyzing data on both paid employees and volunteers and exploring the sector's economic contribution to the community through the use of these valuable human resources. This study has been funded by Service Canada and is the third Service Canada-funded study on employment in the nonprofit sector in Ontario. The others were carried out in the Niagara Region and in London.

CDH's Halton Nonprofit and Voluntary Sector Labour Force Study has been conducted in conjunction with the work of the Regional Chairman's Roundtable on the Non-Profit and Voluntary Sector, set up in 2005 to address issues related to the diminishing infrastructure faced by nonprofit organizations in Halton.

The intent of this research is to provide nonprofit human service agencies in Halton with hard information for strengthening their own relationships with governments and other funders. It will also contribute to a knowledge base for the development of a sectoral strategy for stability and growth in Halton as community demands and needs change over the next decade.

This study uncovers a dedicated, skilled and vital component of not only Halton's local communities, but also of its local economy. Alarming, however, it also sheds light on a sector pushed to the limits of its human resource capacity, and precariously balanced between sustainability and disaster.

1.1 A Decade of Growing Interest in the Nonprofit Sector

Since the mid-1990s, there has been a growing research interest in the nonprofit and voluntary sector in Ontario and Canada. The impetus for this trend arose from the period of government restraint and cutbacks to public services triggered by the economic recession of the early 1990s. Downloading and devolution policies of provincial and federal governments created increased service demand at the community level, affecting both municipalities and community agencies in the voluntary sector. At the same time, many of the funding programs for community services were also being cut back (Hall and Reed, 1998).

Thus, the capacity of the voluntary sector to respond to the social and economic conditions of the 1990s, higher expectations for performance and accountability in the sector, and the need for clarity on reasonable allowances and limits in areas such as advocacy activity, all combined to focus more attention on the role of the nonprofit voluntary sector in Canadian life.

A spate of dialogue and research activity has ensued over the last decade, much of it at the national level through roundtables, forums and vehicles such as the Voluntary Sector Initiative. Groups like Imagine Canada, the Canadian Council on Social Development (CCSD), Canadian Policy Research Networks (CPRN) and Statistics Canada began to research the organizational capacities, finances, staff and volunteers in the voluntary sector with quantitative and qualitative methods including large surveys.

1.2 Establishing the “Ground Level” Perspective

The research findings on the sector in the last decade are encouraging. Clearly, however, these national research studies require some grounding and validating at the community level. It is important that national survey work be supplemented and enriched with research generated at the ground level in communities across the country.

Locally, some areas attempted to measure the impact of the 1990s cuts on their voluntary sector community service organizations. CDH, for example, produced *Meeting Human Needs: The Impact of Funding Restraints on Halton Agencies* in 1997, reporting on findings of 59 respondents to an agency survey (Hildebrandt and McEwan, 1997).

An important focus of further local and regional research must be the human resource capacity of the sector, both its paid employees and its volunteer component. In this regard, survey and focus group research has been done in Niagara Region, in London, Ontario, and in Toronto (Centre for Community Leadership, 2003; Daya, El-Hourani, and De Long, 2004; Community Social Planning Council of Toronto and Family Service Association of Toronto, 2006).

Community Development Halton (CDH) launched its current research path in November 2003 when it organized the Funding Matters Workshop, a presentation and discussion of CCSD’s qualitative study of the funding environment of the voluntary sector (Scott, 2003). A series of recommendations were generated for further study and action on restoring and fortifying the sector’s infrastructure and service capacity, leading to the convening of the Regional Chairman’s Roundtable on the Non-Profit and Voluntary Sector under the leadership of Chairman Joyce Savoline (Community Development Halton, *Funding Matters*, 2004).

Concurrent with the deliberations of the Roundtable and interacting with it, CDH conducted this research on the human resource base of nonprofit human services in Halton.

1.3 Research Methods and Data Collection

This research has benefited from study of previous national and local surveys and other research and literature on the voluntary sector, especially over the last decade. CDH’s primary source of information for this report, however, is a detailed survey administered to nonprofit human services agencies in the region of Halton.

CDH intentionally targeted nonprofit human services organizations in Halton rather than the broad-based voluntary sector. To do so, CDH used the International Classification of Non-Profit Organizations (ICNPO) system to select major categories and types of organizations within categories that suggest a human services focus (Hall et al., *Cornerstones of Community*, 2005, 58-63). This approach excluded major institutional nonprofit organizations such as hospitals, universities and colleges, which is a differentiation common in national survey research. The result was a typology for inclusion in the survey of organizations (Table 1) falling in the following six of the fourteen categories in the ICNPO classification system.

Table 1: Selected ICNPO Categories/Service Types for Halton Survey

<p>Social Services:</p> <ul style="list-style-type: none"> • Child welfare, child services and day-care • Youth services and youth welfare • Family services • Services for the handicapped • Services for the elderly 	<ul style="list-style-type: none"> • Self-help and other personal social services • Disaster/emergency prevention and control • Temporary shelters • Refugee assistance • Income support and maintenance
<p>Health:</p> <ul style="list-style-type: none"> • Mental health treatment • Crisis intervention 	<ul style="list-style-type: none"> • Public health and wellness education • Health treatment, primarily outpatient
<p>Development and Housing:</p> <ul style="list-style-type: none"> • Community and neighbourhood organizations • Social development • Housing associations 	<ul style="list-style-type: none"> • Housing assistance • Job Training programs • Vocational counselling and guidance
<p>Law and Advocacy:</p> <ul style="list-style-type: none"> • Advocacy organizations • Civil rights associations • Ethnic associations 	<ul style="list-style-type: none"> • Civic associations • Legal services • Rehabilitation of offenders • Victim support
<p>Education and Research:</p> <ul style="list-style-type: none"> • Adult/continuing education 	<ul style="list-style-type: none"> • Social sciences, policy studies
<p>Grant-making, fundraising and voluntarism promotion:</p> <ul style="list-style-type: none"> • Voluntarism promotion and support 	<ul style="list-style-type: none"> • Grant-making and fund raising organizations

Applying this typology to the Halton Community Services Database (more than 4,000 records) and searching for only nonprofit organizations, a list of 241 eligible nonprofit human service agencies in Halton was assembled. Listed agencies were invited to

complete the survey in either hard copy, mail-back questionnaire form or electronically through a web-based questionnaire. Follow-up prompts were made by e-mail communication and telephone to encourage agencies to complete and return the survey. The survey was administered and data collected between February and April, 2006.

In addition to the questionnaire, agencies were asked for their detailed, audited financial statements for 2003 through 2005.

Both quantitative and qualitative data were coded and input into SPSS for data processing and analysis. Quantitative data is reported in the form of tables and figures. *Pushing the Limits* reports some of the survey respondents' answers to open-ended questions and commentaries, which are provided in text boxes inserted throughout this document.

1.4 Additional Input and Discussion

In addition to the survey, the project conducted a study of literature and research relevant to the topic. As well, several focus groups were organized and conducted with paid staff and volunteers of the sports and recreation and the arts and culture communities, in order to gain an appreciation for similar and varying issues related to the human resource dimensions of these parts of the nonprofit and voluntary sector.

The Project presented preliminary findings to the Regional Chairman's Roundtable on the Non-Profit and Voluntary Sector in April 2006 and to a full assembly of 300 sector leaders at a forum organized by the Regional Chairman's Roundtable on June 15, 2006. Following analysis of emerging issues, the Project conducted issue discussions with several groups of community sector leaders to test and get feedback on interpretation of the survey data. A final presentation of the findings and analysis was made to a second forum of sector leaders organized by the Regional Chairman's Roundtable on November 1, 2006.

Input from all of these sources was used to prepare this final Technical Report called *Pushing the Limits*.

2. Organizational Overview

The agency response to the Halton Nonprofit and Voluntary Sector Labour Force Study survey was very strong. Using the Halton Community Services Database, which has more than 4,000 entries of public, private and nonprofit organizations, CDH carefully assembled a list of 260 nonprofit human services agencies located in and serving Halton Region and its communities. The identified agencies were mailed a detailed survey (see Appendix II). The agencies were also given the option of accessing a web-based version of the survey and completing it in electronic format and submitting it on-line.

Follow-up with respondents determined that 19 of the 260 agencies did not qualify as nonprofit organizations or were duplicates on the original list, thus reducing the qualifying nonprofit human service agency population located in or serving Halton and its communities to 241. Eighty-one (81) agencies returned the survey, a very high response rate of 33.6%.

2.1 Organizational Status

Replying to a question on organizational status, 62 of the 80 agency respondents (77%) state that they are incorporated as nonprofit organizations and have registered charitable status; 15 are incorporated as nonprofits only (19%); and only three are unincorporated organizations (4%).

Eight respondents (10%) identify themselves as a chapter, branch, or sub-unit of a national nonprofit organization, six (7%) are affiliated with a provincial nonprofit organization, and three (4%) with an international organization. The remaining 63 agencies (78%) indicate no organizational affiliation with a parent or federated body.

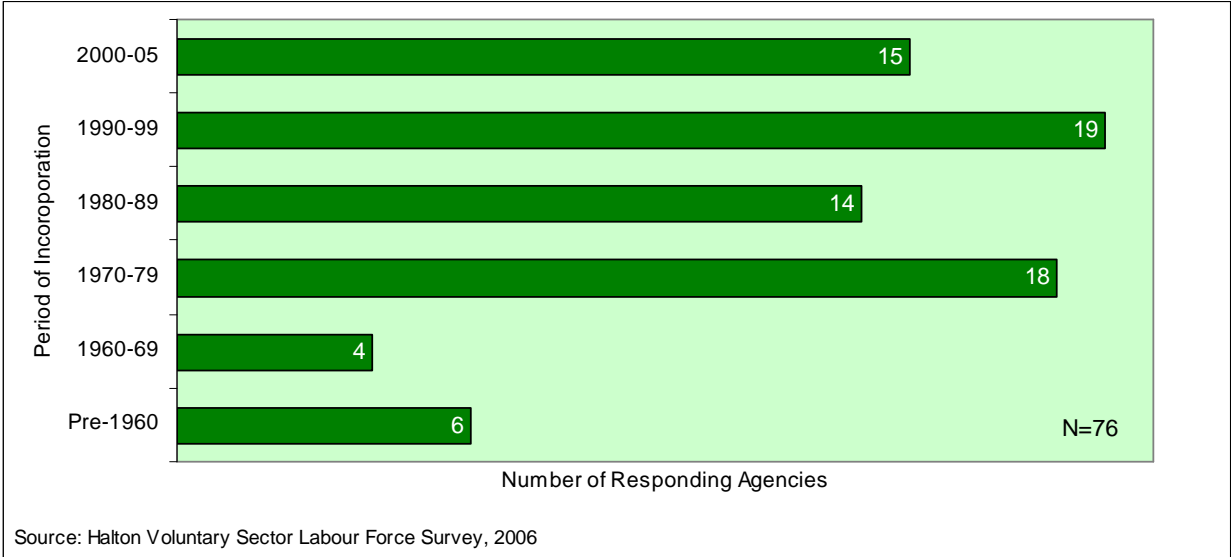
Just more than half of the agency respondents (53%) say they have a membership beyond their Board of Directors, ranging from two to 300 individual members with a median of 20 individual members.¹ Twelve respondents (15%) report having organizations as members also.

Seventy-six agencies replied to the question on their date of incorporation or their start date if not incorporated. Figure 1 shows these results by decade from pre-1960 through to 2005. The survey response indicates that nonprofit human service agency growth in Halton started in earnest in 1970-79 and has held steady in the three decades since, including 15 agencies starting or incorporating in the first five years of the current decade. Notably, of the ten agencies incorporating or starting prior to 1970, eight are organizations that are sub-units of, or are organizationally affiliated with larger provincial and/or federal charitable bodies. In fact, it is unclear in these eight cases whether the respondents are stating the

¹ One agency claiming 16,000 members is excluded from this calculation. It is likely that the agency was reporting on the “informal” membership of its surrounding community in this response.

incorporation date of the parent organization or the start date of their own operations in Halton. For organizations operating at the local or regional levels within Halton and its communities, the pattern in Figure 1 conforms to the population growth of Halton Region over the last three and a half decades.

Figure 1: Incorporation/Start Date of Halton Agency Respondents



2.2 Geographic Location and Coverage

2.2.1 Main Office Location

As Figure 2 shows, the survey response was fairly representative of the different parts of Halton in terms of the location of agencies’ head offices. Respondents are almost equally representative of agencies in Burlington and Oakville at 35% and 37% respectively. Agency response from North Halton is 15% combining Halton Hills (11%) and Milton (4%).

A particular feature of Halton is that agencies with head offices in neighbouring areas sometimes provide services to all or parts of the region. Hence, 13% of the agency respondents have their main office locations in Hamilton (6%), Mississauga/Peel Region (5%) and even Toronto (2%). Notably, since the survey was conducted, one of the agencies with a head office outside the region has re-located to Burlington. Of the 10 remaining respondents located outside Halton, eight are organizations that are part of larger provincial and/or national federated charitable bodies.

Figure 2: Head/Main Office Location of Survey Respondents

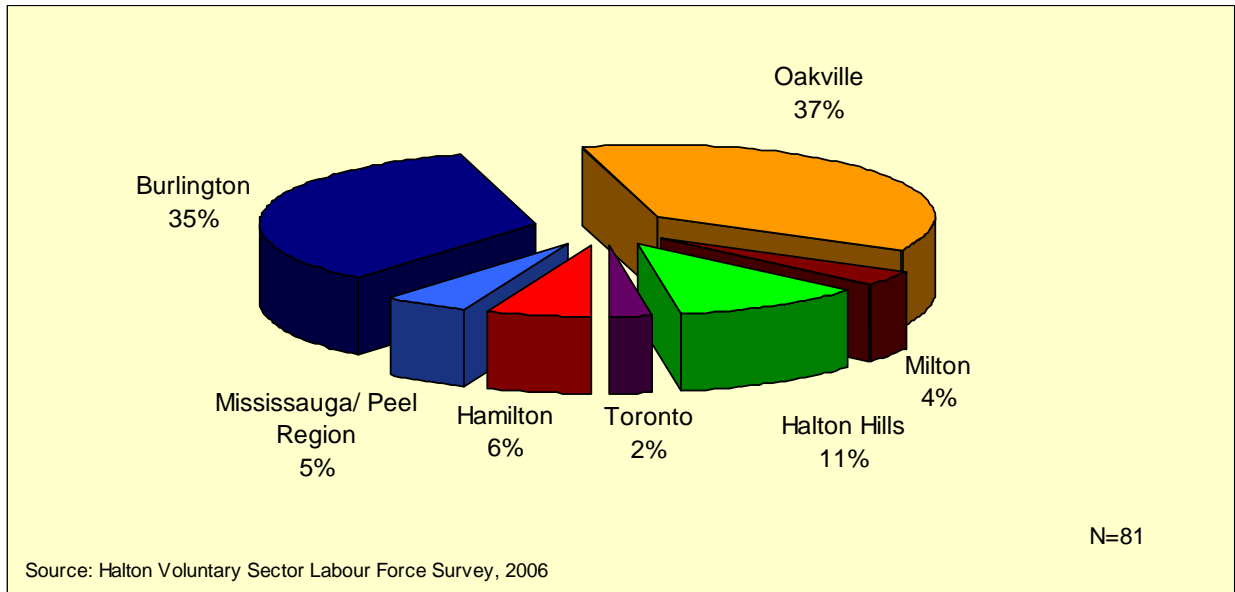


Figure 3 shows the agency survey response in relation to the full list of nonprofit human services agencies for Halton. In terms of head office location, the survey response is fairly consistent with the distribution of serving Halton. Table 2 compares the breakdown of the total list of qualifying surveyed agencies with the actual agency survey response.

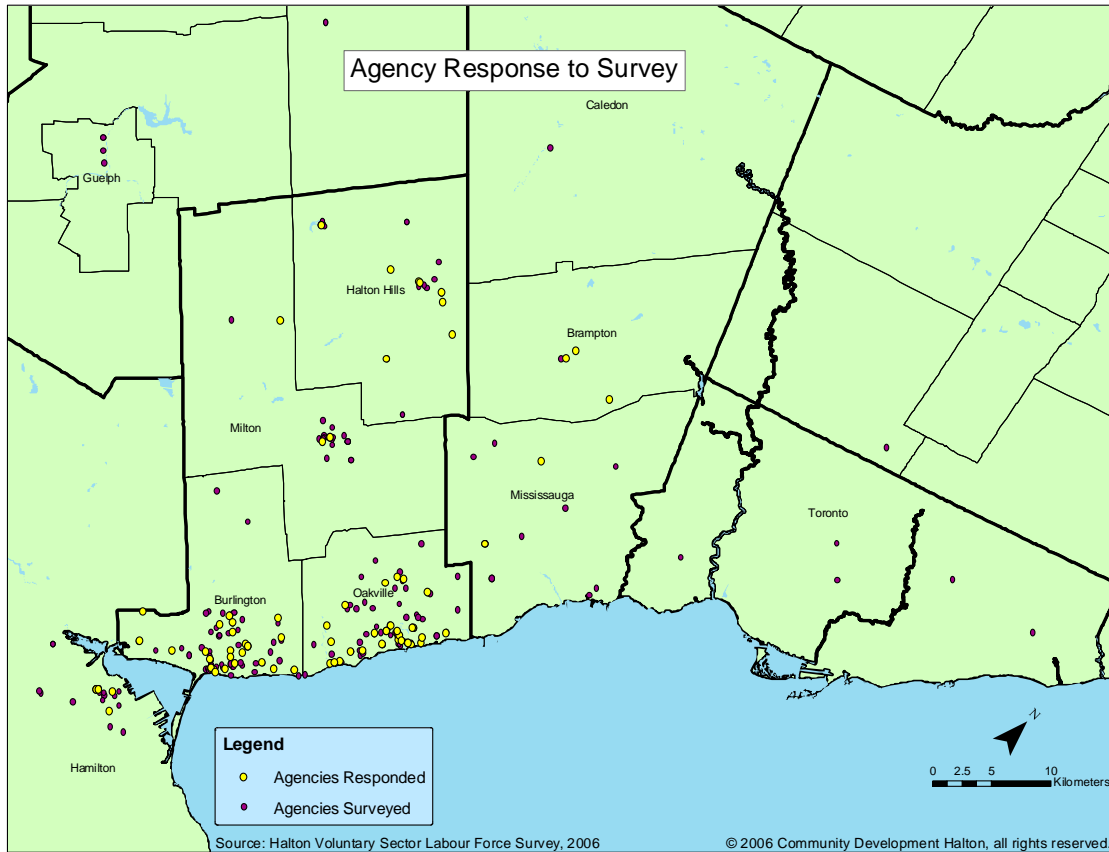
Table 2: Comparison of Qualifying Agencies for Survey with Survey Agency Respondents on Head/Main Office Location

Head/Main Office Location	Percent of Qualifying Surveyed List (No. = 241)	Percent of Survey Respondents (No. = 81)
Burlington	29%	35%
Oakville	34%	37%
Halton Hills	10%	11%
Milton	9%	4%
Hamilton	8%	6%
Mississauga/Peel Region	6%	5%
Toronto	2%	2%
Other	2%	0%
TOTALS	100%	100%

The survey response reflects well the main office locations of the total number of nonprofit human service agencies qualifying for inclusion in the survey. Burlington agencies may be slightly over-represented (+6%) and Milton agencies slightly under-represented (-5%), but

otherwise the response is within 1% to 2% of the geographic distribution of nonprofit human service agencies in Halton and those serving Halton from outside the region.

Figure 3. Geographic Distribution of Main/Head Office Locations of Surveyed and Responding Agencies to Halton Voluntary Sector Labour Force Study



2.2.2 Service Coverage

In terms of service coverage, Table 3 shows that just over one-third of agency respondents say that they provide programs to all of Halton. Twelve of the agencies are based in Burlington and nine in Oakville. Four of the 11 agencies that have their head offices outside of the region say they provide programs to all of Halton. Respondents serving only Burlington (28%) and Oakville (29%) are about equal in number. Although only 12 agencies have their head office in North Halton, 26 agencies (31% of agency respondents) report providing programs to Milton and Halton Hills combined.

Table 3: Service Coverage of Halton Agency Respondents

Agencies Provide Programs in:	No. Agencies	% of Agencies
All of Halton	29	34.9
Burlington	23	27.7
Oakville	24	28.9
Milton	15	18.1
Halton Hills	11	13.3
Hamilton	12	14.5
Mississauga/Peel Region	9	10.8
Toronto	4	4.8
Other	11	13.3

Six agencies based in Burlington and Oakville provide programs outside Halton, mostly in Hamilton and Mississauga/Peel, with several serving Toronto. Other areas where Halton agencies provide programs are mostly north and west of the region (Brampton, Cambridge, Kitchener-Waterloo, Wellington and Dufferin Counties, Guelph, etc.).

2.3 Service Focus

2.3.1 Service Populations

Figure 4 indicates the range of population groups in Halton served by the responding agencies. As many nonprofit agencies serve multiple populations, the survey permitted respondents to identify the populations to which they “primarily direct” their services.

Notably, a high proportion of agencies direct their services primarily at parents/families (44%), children (44%) and youth (37%). The *National Survey of Non-profit and Voluntary Organizations (NSNVO)* finds children or young people to be the second highest client group served (23% of agencies).² The *NSNVO* results show elderly people as the third highest client group served, at 11% of organization, and persons with disabilities as fourth at 8%. In the Halton survey, 30% of agencies serve seniors, which is about mid-range in the population groups served. Persons with disabilities are ninth, with a still respectable 23% of agencies serving this group.

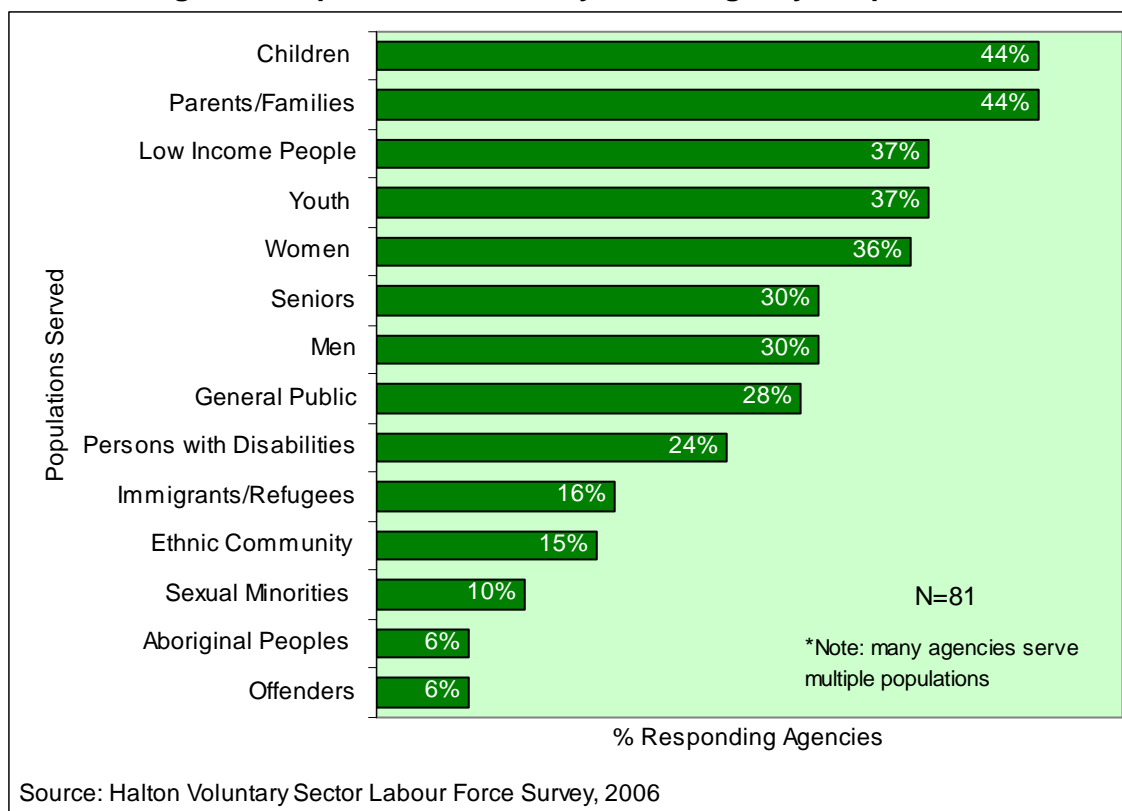
The most frequently identified population served in the *NSNVO* results is the general public (46%), which ranks eighth in the Halton survey, identified by 27% of agencies.³ The five populations least frequently identified as primary client groups in the Halton survey are immigrants/refugees (16%), ethnic communities (15%), sexual minorities (10%), offenders

² Michael Hall et al. *Cornerstones of Community: Highlights of the National Survey of Nonprofit and Voluntary Organizations*. 2003 Revised Edition (Ottawa: Statistics Canada, Ministry of Industry, 2005), p.15, Table 3.1.

³ *Ibid.*, p. 15, Table 3.1.

(7%) and Aboriginal peoples (7%). These groups are also less frequently identified in NSNVO survey results.⁴

Figure 4: Populations Served by Halton Agency Respondents



2.3.2 Major Areas of Service

The survey asked agencies to identify “up to three major areas of activity,” offering six categories of major activity areas with examples for each, which were drawn from the International Classification of Nonprofit Organizations (ICNPO), modified slightly for Canadian application.⁵ The survey’s six major activity categories were based on criteria that would define an agency population made up of nonprofit human services organizations, thus excluding organizations primarily involved in Arts, Culture, and Recreation; Health and Educational institutions; International, Environmental, and Religious organizations, etc. The Social Services class of the ICNPO was the closest to the desired agency population for the Halton Nonprofit and Voluntary Sector Labour Force Study, but selected elements of the other classes indicated in Table 4 also were considered relevant to the population of agencies qualifying for inclusion in this study.⁶

⁴ Ibid., p.15, Table 3.1.

⁵ Ibid., pp. 58-63, Appendix A.

⁶ See Appendix I for the process of defining and selecting the agency population for inclusion in the Halton Nonprofit and Voluntary Sector Labour Force Study.

Table 4: Rank Ordering of Major Areas of Service by Halton Agency Respondents

Major Areas of Service	Rank Ordering			
	First Choice	Second Choice	Third Choice	Combined Agency Choices
Social Services	54%	17%	3%	74%
Health	24%	16%	3%	43%
Education & Research	6%	12%	9%	27%
Development & Housing	9%	3%	9%	21%
Grant-making & Voluntarism	4%	5%	9%	18%
Law & Advocacy	4%	6%	6%	16%

As Table 4 shows, the survey reached its prime target population, with almost three-quarters of respondents (74%) identifying Social Services as a major area of activity in their top three choices and over half (54%) selecting Social Services as their first area of activity. Second-ranked as a major area of activity for agencies is the Health class, indicating a range of services focusing on community-based as opposed to institutionally-based health supports. The other major areas of activity identified among respondents are Education and Research (27%), Development and Housing (21%), Grant-making/Voluntarism Promotion (18%), and Advocacy (16%).

2.4 Finances

Respondents to the Halton Labour Force Study ranged from very small agencies with no funding to large multi-million dollar operations. Agency respondents report operating budgets ranging from zero to \$38,000,000 in 2005. Median total operating budgets increased over the period 2003 to 2005 from \$373,597 to \$450,000.

Altogether the total operating budgets of the 63 agencies providing complete information for 2003-2005 indicate growth of \$20.4 million between 2003 (\$102.7 million) and 2005 (\$123.1 million), a 19.8% increase over the two-year period. Notably, five of the seven agencies with revenues of \$5 million and higher account for \$14.8 million of that amount, 72.6% of the total increase.⁷ The remaining \$5.6 million of this increase, then, is spread among the 58 agency respondents with revenues below \$5 million.

Detailed financial information supplied by survey respondents was more complete for the year 2004 than for 2003 or 2005. Seventy-six (76) agencies provided detailed financial information for 2004 compared to 68 for 2005 and 67 for 2003. As the survey was conducted in the last quarter of the 2005-06 fiscal year, audited statements for 2005 were not always available from agency respondents. Therefore, reporting and analysis on respondents' finances in this study will use the 2004 data provided by 76 agencies (93% of the total agency respondents).

⁷ Two additional agency respondents in the \$5 million plus revenue category did not provide financial information for 2003 and are, therefore, not included in these calculations.

2.4.1 Revenue

Figure 5: Major Sources of Revenue of Halton Agency Respondents

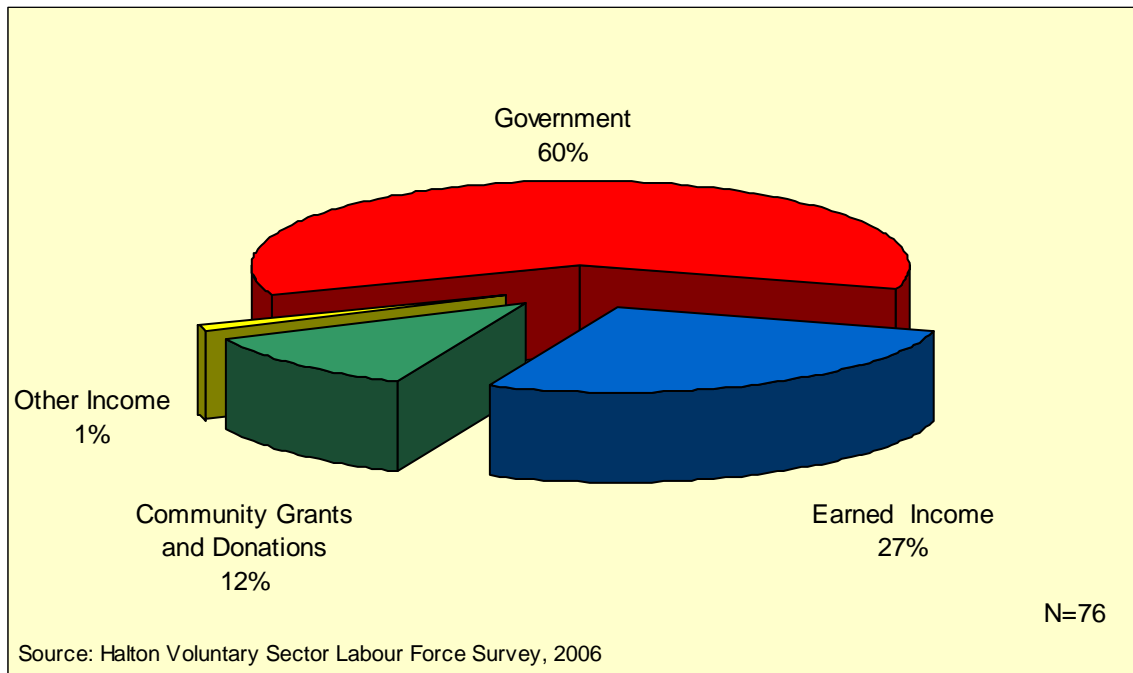


Figure 5 shows that Halton agency survey respondents derive about 60% of their total revenue from Government sources according to their 2004 audited financial statements. About 27% of their revenue is Earned Income and 12% comes from Community Grants and Donations. Of the 12% of revenue from Community Grants and Donations, more than half (6.5%) comes from individual and corporate donations, 2.4% from United Ways, 2.1% from other fund raising, and 1.0% from public and charitable foundations. A more complete breakdown of the other major revenue categories is provided in Table 5 along with a comparison to revenue sources from 2003 from national survey results for Social Services organizations.

Clearly, major sources of revenue for the nonprofit human services in Halton Region are fairly consistent with national survey patterns for nonprofit Social Services organizations. Provincial government funding is particularly important to this sector. The Halton survey results suggest that Halton agencies make up the 6% shortfall in Government funding, compared to the national survey results, by earning additional income from fees for service, membership fees, investment income, etc.

Table 5: Detailed Sources of Revenue for Halton Agency Respondents, 2004 and NSNVO, 2003

Sources of Revenue	Halton Agency Respondents, 2004	NSNVO Social Services Organizations, 2003 ⁸
	Per Cent of All Sources	
Government:		
Federal	3.6	5
Provincial	54.2	54
Regional	1.7	
Municipal	0.5	7
Total Government	60.0	66
Earned Income:		
Fees for Goods and Services	21.8	13
Investment Income	0.3	1
Membership Fees	4.3	4
Other	0.1	1
Total Earned Income	26.5	20⁹
Community Grants and Donations:		
Individual and Corporate Donations	6.5	6
Fund Raising	2.1	
United Ways and Foundations	2.4	4
Public & Charitable Foundations	1.0	
Total Gifts and Donations	12.0	11¹⁰
Other Income	1.4	3
TOTALS	99.9	100

National and provincial survey results, however, also reveal that larger agencies are the primary beneficiaries of government funding, which greatly skews the distribution of total revenue towards larger organizations.¹¹ Combined, Table 6 and Figure 6 show that agencies with less than \$500,000 in total revenue make up more than half the agency respondents to the Halton survey (56%) but took in only \$5,105,341, which is 4% of the total revenues of \$130.5 million to all agencies in 2004. This includes 25 agencies with less than \$100,000 total revenues in 2004. In reporting this finding, it is also important to remember that it under-represents agencies with no staff, since they were less likely to have the human resources to complete and return the detailed survey.

⁸ Hall et al. *Cornerstones of Community*, p. 27, Modified Table 2.3.

⁹ Ibid. Summed as it appears on p. 27 in Table 2.3.

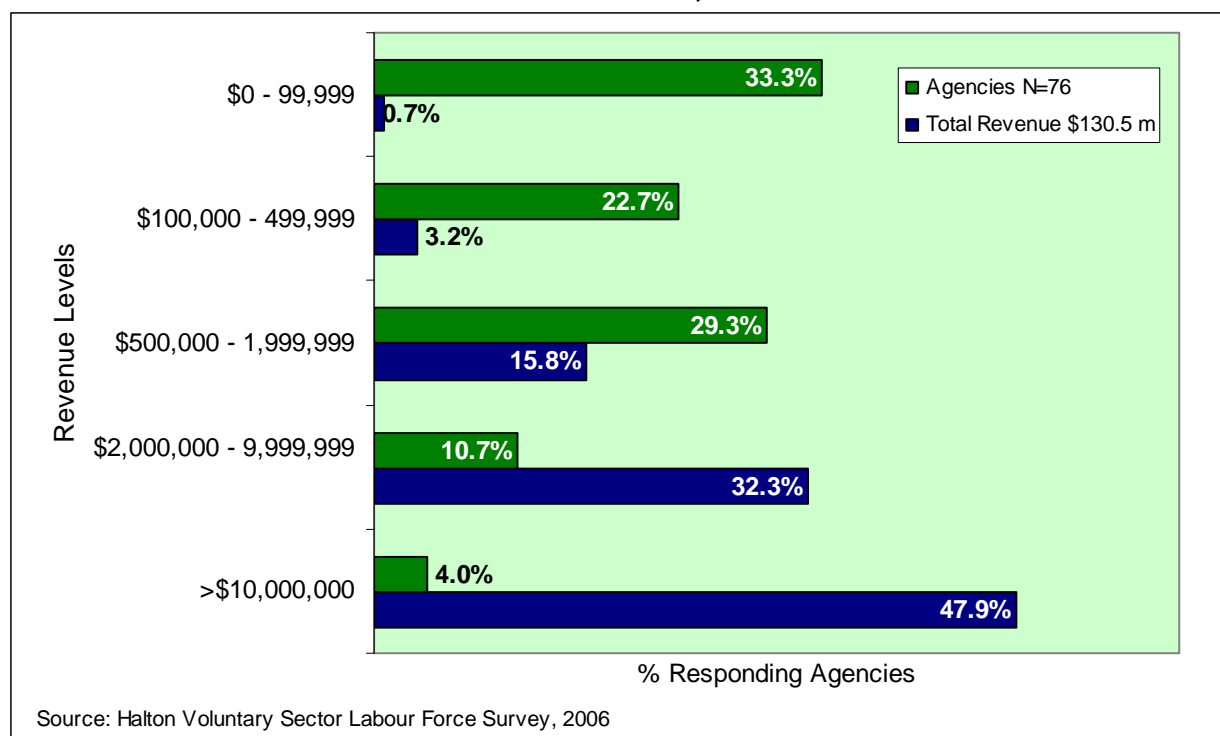
¹⁰ Ibid. Summed as it appears on p. 27 in Table 2.3.

¹¹ Katherine Scott et al., *The Nonprofit and Voluntary Sector in Ontario: Regional Highlights of the National Survey of Nonprofit and Voluntary Organizations*, (Toronto: Imagine Canada and Canadian Council on Social Development, 2006), pp. 16-18; Hall et al. *Cornerstones of Community*, p. 24.

Table 6: Distribution of Total Revenue Across Halton Agency Respondents, 2004

Refer to Figure 6	Revenue Levels	Agencies		Revenue 2004	
		No.	%	Amount (\$)	%
1	\$0 – \$29,999	12	16.0	146,458	0.1
	\$30,000 - \$99,999	13	17.3	719,809	0.6
2	\$100,000 - \$249,999	9	12.0	1,255,962	1.0
	\$250,000 - \$499,999	8	10.7	2,983,112	2.3
3	\$500,000 - \$999,999	13	17.3	8,814,515	6.8
	\$1,000,000 - \$1,999,999	9	12.0	11,876,284	9.1
4	\$2,000,000 - \$4,999,999	4	5.3	13,656,725	10.5
	\$5,000,000 - \$9,999,999	4	5.3	28,535,373	21.9
5	\$10,000,000+	3	4.0	62,558,699	47.9
	TOTALS	75	99.9	130,546,937	100.2

Figure 6: Percentage of Halton Agency Respondents and of Total Income by Annual Revenue Levels, 2004



2.4.2 Expenditures

Table 7 shows totals for the different areas of expenditure of the Halton agency respondents for the year 2004. The expenditures total \$126,046,000 with 64.7% going to

personnel costs, including salaries, wages and benefits to employees (63.6%) and external contractors (1.1%). The next highest expenditure is purchased goods and services at \$28.7 million (22.6% of total spending).¹² Combined office expenses, occupancy costs, and professional fees (e.g., legal, audit), which could be considered administrative expenses, amount to 10.7% of total spending. Other expenses (2.0%) are mostly made up of reported depreciation charges.

Table 7: Breakdown of Total Expenditures of Halton Agency Respondents, 2004

Areas of Expenditure	Total Expenditures (\$million)	% of Total Expenditures
Personnel:		
Salaries/Wages/Benefits	80.7	63.6
External Contracts	1.4	1.1
Total Personnel	82.1	64.7
Purchased Goods & Services	28.7	22.6
Administration:		6.6
Occupancy Costs	8.4	3.4
Office Expenses	4.3	0.7
Professional Fees (e.g. audit)	.9	10.7
Total Administration	13.6	
Other Expenses	2.5	2.0
TOTALS	126.9	100.0

2.5 Major Issues and Challenges

Agency respondents were asked open-ended questions about major organizational and financial issues and challenges that they face in the next five years. These qualitative responses were reviewed for how they clustered into major themes or categories and were coded for quantitative representation. This section reports these results along with examples of quotes from survey respondents.

Qualitative responses were similarly collected from respondents on anticipated challenges and issues with respect to their paid employees and to the recruitment and retention of volunteers. These findings will be presented in sections 3 and 4 of this report respectively.

2.5.1 Organizational Issues and Challenges

Table 8 presents the clustered response of surveyed agencies on major issues and challenges facing their organizations in the next five years. Funding stability and sustainability is the primary concern of more than two-thirds of agency respondents (68%). Just over half of the respondents indicate that responding and adapting to population

¹² Purchased goods and services are non-personnel expenditures for materials and support services used in program or service delivery. For example, a purchased good might be supplies for a youth program to produce public education posters. A purchased service might be the catering cost for a program event.

growth and emerging needs is a major issue (52%). Issues related to maintaining a strong staff base and recruiting volunteers are cited by just more than a third of respondents (35%). About one-third say attracting and retaining volunteers is a major anticipated challenge (32%). Just over one-fifth face constraints with respect to space and facilities to do their work (22%). Finally, 20% anticipate challenges arising from policy and structural change initiated by governments.

Table 8: Major Organizational Challenges/Issues in Next Five Years

Major Organizational Challenges/Issues	Percent of Agency Respondents
<p>Adequacy, Stability, Sustainability of Funding/Finances <i>“Funding is an issue as with all nonprofits. Both our volunteers and the community is [sic] getting ‘burned out’. We feel we must find a way to become more sustainable.”</i> <i>“Ongoing core funding so that staff time can be spent in service provision rather than proposal writing.”</i> <i>“The ongoing challenge is to find the resources and funding to respond to the need in our community.”</i></p>	<p>68%</p>
<p>Responding to Growing Needs, Service Development, Inclusion Issues <i>“City of Burlington continues to grow and with that growth, the need for more social service resources. Families are met with waiting lists. The agency needs to help these families with connections in their communities even though the funding may not be there.”</i> <i>“Long waiting lists and getting longer.”</i> <i>“Growth in need for and provision of service as support for the marginalized in society lessens.”</i></p>	<p>52%</p>
<p>Maintaining a Qualified Staff Base <i>“Attracting and retaining qualified staff. We have not had a cost of living increase since 1993 and our benefits are sub-standard. We have older staff nearing retirement and unless we can replace them with personnel of similar quality, the clients will not receive the same standard of care.”</i> <i>“Insufficient funding to maintain professional staff.”</i> <i>“Maintaining pay scales that will encourage strong staff to continue to work here.”</i></p>	<p>35%</p>
<p>Attracting and retaining Volunteers <i>“Volunteers need specific training and building a volunteer base for longevity is a challenge.”</i> <i>“Volunteer work is wonderfully rewarding but it would be nice if we could have some paid staff positions... This would take away some of the stress on our board secretary and board chair.”</i> <i>“Ability to secure Board members... that are available to assist with finances, fund raising, policy development.”</i></p>	<p>32%</p>
<p>Managing Constraints and Pressures Related to Space, Facilities, Equipment, etc. <i>“Affordable space . . . We are constantly having to negotiate desk space and office time to allow for the number of people contributing to our programs.”</i> <i>“The need for space to provide the community work we do.”</i></p>	<p>22%</p>

Major Organizational Challenges/Issues	Percent of Agency Respondents
<p><i>Appropriate, accessible and affordable space for requirements of particular concern to our organization.</i></p> <p><i>“General organization. Board changes yearly, [need to] maintain a standard procedure for record keeping and passing down of this information.”</i></p>	
<p>Adapting to Policy and Structural Changes in the System</p> <p><i>“The LHINs will have legislative power to amalgamate agencies and agency functions. How will this affect us? The issue we will be facing is how we will reorganize to create efficiencies, especially in the administrative areas.”</i></p> <p><i>“Integrating our services with those of our partners.”</i></p> <p><i>“Political agendas of municipal, provincial and federal governments.”</i></p>	20%

2.5.2 Financial Issues and Challenges

Table 9 presents the clustered open-ended responses on financial challenges to nonprofit human services anticipated in the next five years. The two most frequent responses relate to the capacity for basic operational functioning. Core funding is articulated most frequently by respondents (36%), but resources to keep a qualified staff base and to attract and support volunteers follows closely as a major issue (31%).

Of equal concern, at 28% of agency respondents, are the demands of funders and the ability to meet service demands and innovate. Meeting the challenge of fund raising (22%), dealing with inadequate levels of funding (16%) and, again, contending with policy and structural change in government (9%), especially the financial implications of the new Local Health Integration Networks (LHINs), are the final three financial concerns.

Table 9: Major Financial Challenges/issues in the Next Five Years

Major Financial Challenges/Issues	Percent of Agency Respondents
<p>Need for Core Funding</p> <p><i>“Sustainability – short-term project grants do not like to fund administrative costs and will not typically fund beyond three years.”</i></p> <p><i>“Current funding has fallen below critical mass needed to sustain administration and significant programming, therefore programming has declined.”</i></p> <p><i>“Maintaining core services while inflation erodes our funding stability.”</i></p>	36%

Major Financial Challenges/Issues	Percent of Agency Respondents
<p>Funding for Human Resources (Staff and Volunteers)</p> <p><i>“Volunteer positions are tasked with work that full-time staff positions [should do and] quite frankly need to be paid positions, if the work of the organization is recognized and the full value is attributed.”</i></p> <p><i>“Staff compensation increases to be able to be competitive with other employers and to attract needed skill sets for the clinical services provided.”</i></p> <p><i>“With so many legal requirements... volunteer and paid staff must take on more responsibility and devote more time to the organization, which is unable to afford to pay anyone to take care of these responsibilities. [Childcare] teacher’s pay is too low for the time that is dedicated to the school and experience they provide.”</i></p>	<p>31%</p>
<p>Demands and Requirements of the Funding Regime</p> <p><i>“Our funding is always tied to a specific program and the funder pays for that service only. There is no ‘loyalty’ to the agency as a service provider.”</i></p> <p><i>“Project-based funding initiatives – having to re-invent a project proven to be effective.”</i></p> <p><i>“Focus on funding or grantsmanship takes away from the essential work of the organization – abuse of Board of Directors’ time.”</i></p>	<p>28%</p>
<p>Resources for Service Quality, Growth, Innovation</p> <p><i>“Our ability to increase the number and variety of services we offer.”</i></p> <p><i>“Attracting new funding to fill service gaps that currently exist.”</i></p> <p><i>“Financial resources to increase client service levels, reduce client wait times and through increased staffing and innovative programs.”</i></p>	<p>28%</p>
<p>Challenges of Fund Raising</p> <p><i>“Fund raising burn-out and developing a sustainable planned giving program to help reduce the demands of fund raising.”</i></p> <p><i>“Broad competition in the not for profit sector, probably to worsen as climate changes draw more giving to the international community – donor burn-out.”</i></p> <p><i>“Competing for community dollars with other agencies all with good services and causes.”</i></p>	<p>22%</p>
<p>Inadequacy of Funding</p> <p><i>“Cost of living increases – no increase in government funding to accommodate these increases either in salaries or operating costs.”</i></p> <p><i>“Government subsidies do not necessarily change when costs increase.”</i></p> <p><i>“We have re-located to newer larger premises with a major increase in rent costs.”</i></p>	<p>16%</p>
<p>Policy and Restructuring Constraints</p> <p><i>“We are in two LHINs and are concerned that as a result we may lose funding from [one of them].”</i></p> <p><i>“Government program priority changes.”</i></p>	<p>9%</p>

3. HUMAN RESOURCES: Paid Employees

3.1 Size, Distribution, and Composition of the Paid Workforce in Halton's Nonprofit Human Services

Altogether, the 81 agency survey respondents in Halton report a total of 2,414 paid employees. This ranges from zero employees (five agencies) to 474 in one agency, indicating the wide ranging staff size of nonprofit human services agencies in the Region.

The Ontario results of the *National Survey of Nonprofit and Voluntary Organizations (NSNVO)* study suggests that the total number of paid employees working in the nonprofit human services in Halton is over 4,400.¹³ This size of a paid workforce is on a scale comparable to other Halton industries such as: Real Estate, Rentals and Leasing (4,545), Arts and Entertainment (4,195) and Utilities (1,420). The estimated Halton non-profit human services workforce is just over half (54.4%) the size of the Public Administration workforce in Halton (8,085).¹⁴

Nonprofit human services employees are distributed across a wide range of workplaces that vary by size, as shown in Table 10. Forty-one agencies, more than half the agency respondents (50.6%), have between one and nine employees. Five report having no employees (6.2%). Respondents having between 10 to 24 employees and those with 25 to 99 employees are in equal proportion (18.5%). Only five respondents (6.2%) have 100 or more employees. The high number of smaller agencies with employees creates a low median of five for the total size of paid employees among the responding agencies, which is consistent with NSNVO's national survey data.¹⁵

¹³ Applying the *National Survey of Nonprofit and Voluntary Organizations (NSNVO)* results for Ontario to the total Halton workforce of 204,600 produces the number 4,442 as the workforce total in the nonprofit human services in Halton. The NSNVO results for Ontario indicate that nonprofit employment makes up 16.7% of the total workforce in Ontario, of which Social Services make up 13% of the total nonprofit sector. See Scott et al., *The Nonprofit and Voluntary Sector in Ontario*, 2006, pp. 34-35. As the Halton Nonprofit and Voluntary Sector Labour Force survey response was 33.6%, multiplying the 2,414 employees reported by three to estimate a total workforce of more than 7,000 might be suggested, much higher than the Ontario survey estimates for Halton. The difference is more likely the result of over-representation in the survey response of agencies with paid employees as opposed to those without any employees as explained later in this section. As well, about 12 survey respondents serve Halton but are located outside the region. They reported, however, on their whole staff complements and it was not possible to break out paid employees assigned by these agencies just to the geographic area of Halton.

¹⁴ Statistics Canada, 2001 Census custom tabulation. In citing these figures as comparison to the nonprofit human services workforce, it is also important to note that the nonprofit human services make up about 13% of the total nonprofit workforce, so that the total employment in Halton across all nonprofit sectors is, of course, much higher, possibly challenging the top Halton workforce, the Manufacturing industry, which had 32,150 workers in the 2001 Census, 15.7% of the total Halton workforce of 204,600. See Hemson Consulting Ltd., *State of Halton's Economy Report (Phase I and Phase II)*, Draft prepared for Halton Region (May 2006), pp. 15-18.

¹⁵ Hall et al., *Cornerstones of Community*, p. 36, Table 3.8.

Although survey respondents are predominantly small and medium size in terms of staff complements, more than half the paid employees for agencies serving Halton (51.1%) work in five agencies as Table 10 also shows. Another 34.1% are employed by the 16 medium-sized agencies (25 to 99 employees). Smaller agencies with one to 24 employees have only just under 15% of the total paid employee base among survey respondents.

Table 10: Halton Region Nonprofit Human Services Employee Base Across Responding Agencies by Size

Number of Employees	Halton Labour Force Survey of Nonprofit Human Service Agencies			
	Agency Respondents		Agency Respondents' Paid Employees	
	No.	%	No.	%
None	5	6.2	--	--
1 to 4	31	38.3	67	2.8
5 to 9	10	12.3	61	2.5
10 to 24	15	18.5	229	9.5
25 to 99	15	18.5	822	34.1
100 and higher	5	6.2	1,235	51.1
TOTALS	81	100.0	2,414	100.0

The general pattern of the Halton survey response on the distribution of paid employees is consistent with national survey results: a very high number of agencies employing smaller numbers of staff, with the bulk of the overall employment based in a fewer number of large agencies.¹⁶ The *NSNVO*, however, shows a much higher proportion of Social Services organizations with no paid employees, 31.3% compared to the Halton survey's 6.2%. This reflects, no doubt, the Halton Nonprofit and Voluntary Sector Labour Force Study's methodology using a detailed mail-in and web-based survey, which agencies without paid staff would be less likely to complete and return than agencies with staff. The *NSNVO* used a telephone survey, which could more easily elicit responses from organizations without paid staff.

Finally, survey respondents identified the numbers of employees by position within their organization as shown in Table 11. The bulk of the workforce (74%) is engaged in professional/program/service occupations or direct service/front-line work with people and organizations. Just over 5% of employees are engaged in agency leadership through senior management roles and another 11.2% fill more operational level supervisory positions as managers and senior administrators. Just under 10% of employees provide office support to their agencies.

¹⁶ Ibid. p. 37, Table 3.9.

Table 11: Halton Agencies Employees by Positions (N=81)

Position	No.	% of Total Staff
Executive Directors	58	2.5%
Department/Division Heads	59	2.6%
Total Senior Management	117	5.1%
Senior Administrators	68	3.0%
Managers	189	8.2%
Total Middle Management	257	11.2%
Professional/Program/Service Workers	1,695	74.0%
Office Support Staff	221	9.7%
TOTALS	2,290¹⁷	100.0%

3.2 Profile of Paid Employees in the Sector

3.2.1 Gender

Figure 7 shows that 89.5%, nine out of ten paid employees in the 81 responding agencies are women.¹⁸

Figure 7: Halton Agency Respondents' Employees by Gender

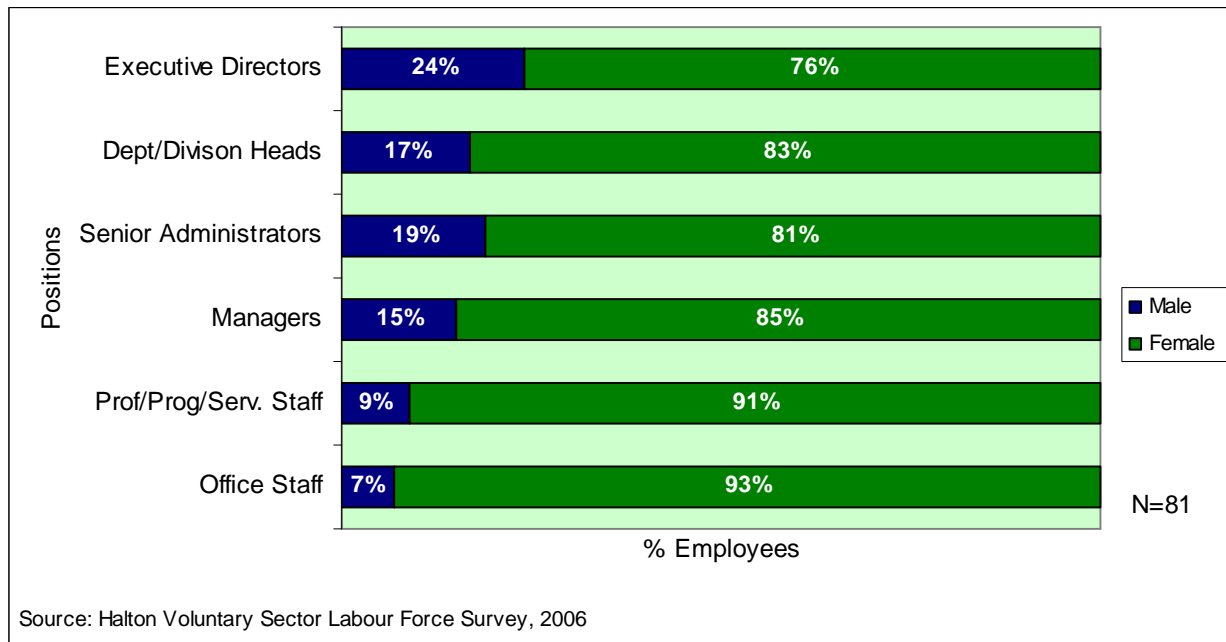


¹⁷ The total number in Table 11 is less than the number 2,414 in Table 10 because not all agency respondents provided a breakdown for all employee positions consistent with the total number of employees that they reported.

¹⁸ It is important to note that one responding organization reported one employee as “transgendered,” with a comment that it is important in today’s Canada to offer that choice in surveys of this kind in order to reflect more accurately the full diversity of the workforce.

There is significant variation in gender breakdown by employee position reported by survey respondents. Figure 8 illustrates that the 9:1 ratio of female to male employees holds strongly for direct service workers (professional/program/service staff, 91% women) and office support staff (93.0% women), but falls to just over 4:1 for managers, senior administrators and department/division head employees (81%-85% women) and to 3:1 for executive directors (76% women).

Figure 8: Gender Breakdown of Halton Agency Respondents' Employees by Position



3.2.2 Age

Figure 9 indicates that employees in the responding agencies are predominantly in their middle working years, 67.5% being 26 to 45 years of age. As 2001 Census data indicates that the average age of Halton human services workers is 39 years, it is likely that the majority of respondents' workers in this age group are concentrated in the second half of the age range.¹⁹

Employees 25 years and younger constitute only 7.1% of the agencies' employees, which does not compare favourably with the rate of participation of this age group in the overall Halton workforce (14.5%).²⁰

¹⁹ Community Development Halton, *Halton Human Services Sector Labour Force Profile*, Working Paper series #2, (2006), p. 8.

²⁰ Statistics Canada Census, 2001.

Figure 9: Halton Agency Respondents' Employees by Age Groups

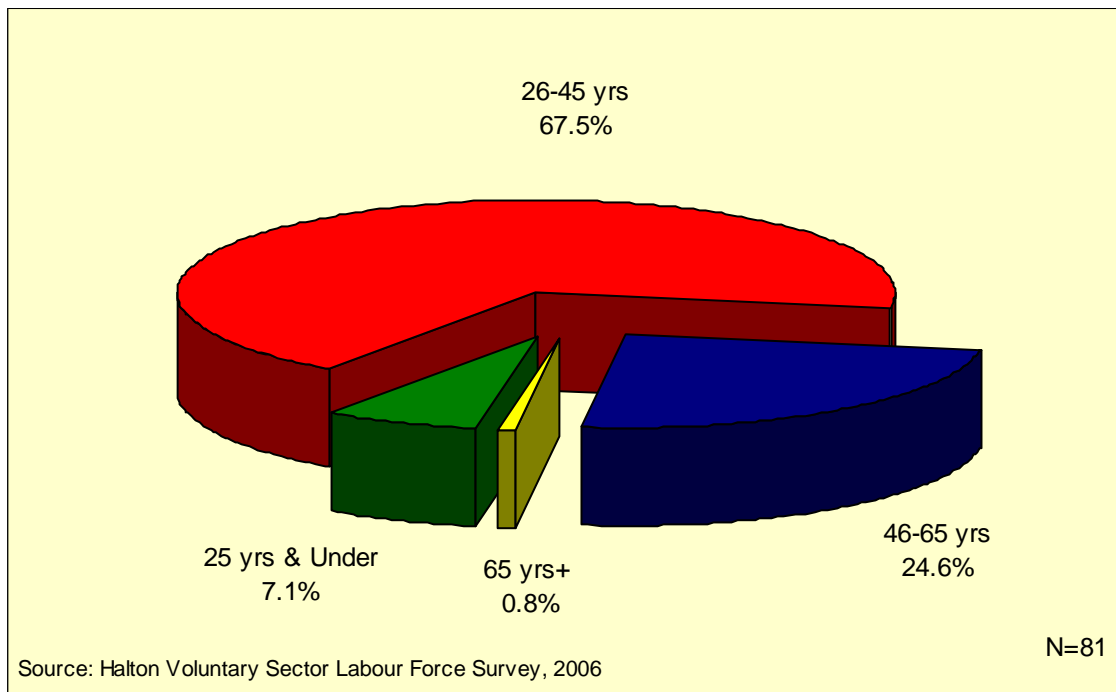
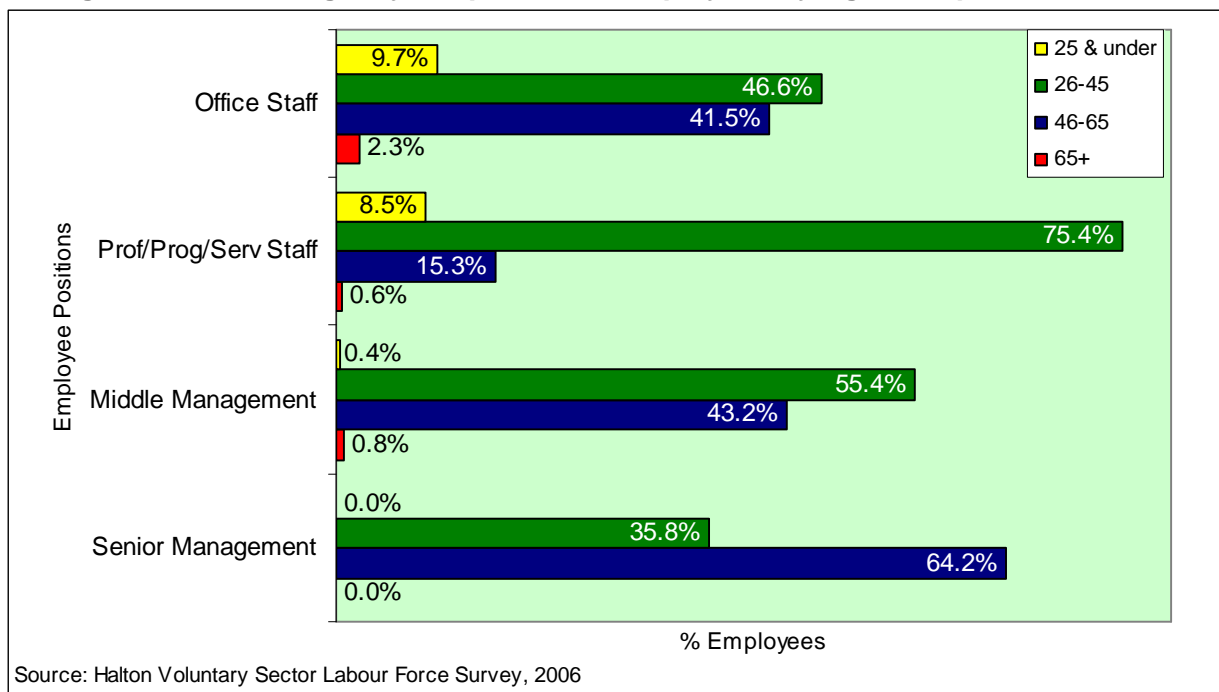


Figure 10 shows that employees working directly in the provision of programs and services make up the largest proportion of the 26 to 45 years age group (75.4%). Middle management, composed of managers/supervisors and senior administrators, is strongly visible in this middle age group as well (55.4%), even higher than in the group 46 to 65 years of age (43.2%). As expected, senior management has the highest proportion of older employees (64.2% in the 46 to 65 years range) comprising 48.1% of department/division heads and 80.8% of executive directors.

Figure 10: Halton Agency Respondents' Employees by Age Groups and Positions



3.2.3 Education and Experience

The Halton Nonprofit and Voluntary Sector Labour Force Study survey reflects a well-educated workforce in relation to the overall workforce in Halton. Figure 11 shows that more than three-quarters of employees (76%) in the surveyed agencies have a college certificate or university degree and another 9.4% have some postsecondary education. This is higher than the 71% of the overall Halton workforce with a community college certificate/diploma, university degree and/or some post-secondary education. Only 15% of the agency respondents' workers have high school graduation or less as their highest level of education.

Figure 11: Halton Agency Respondents' Employees by Education Levels

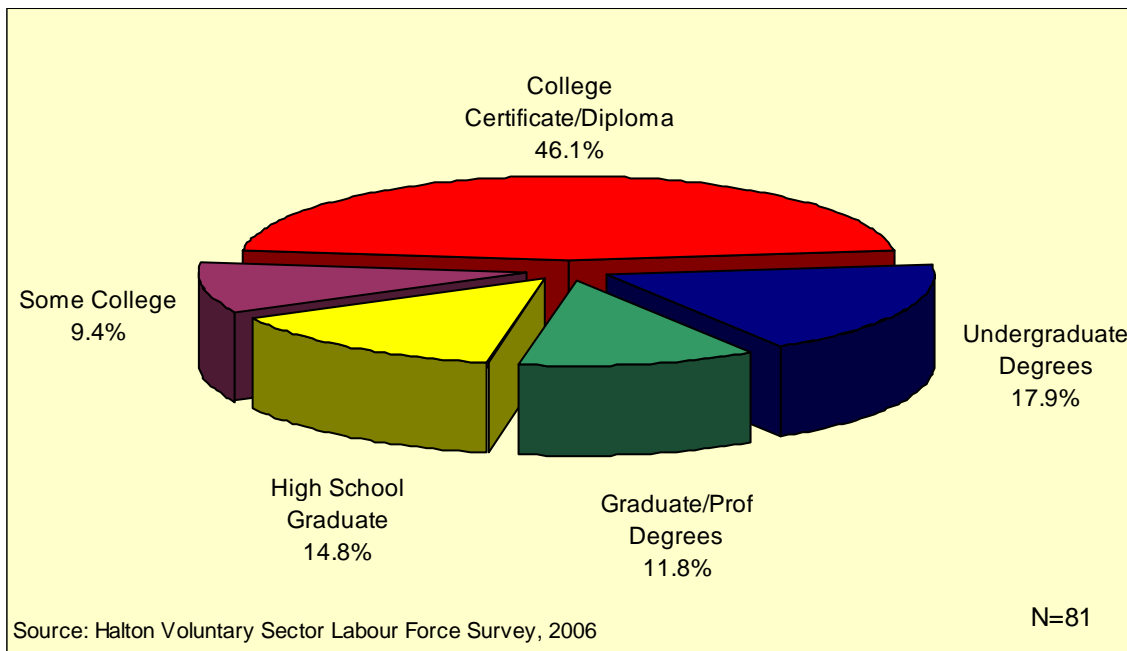
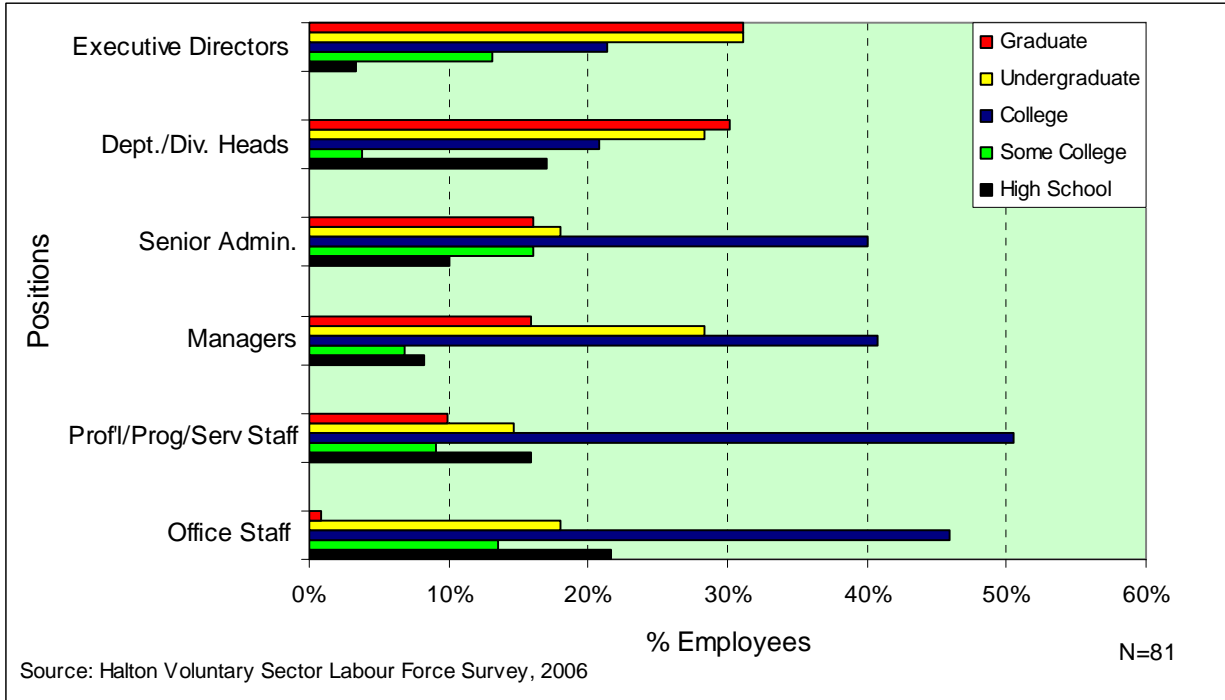


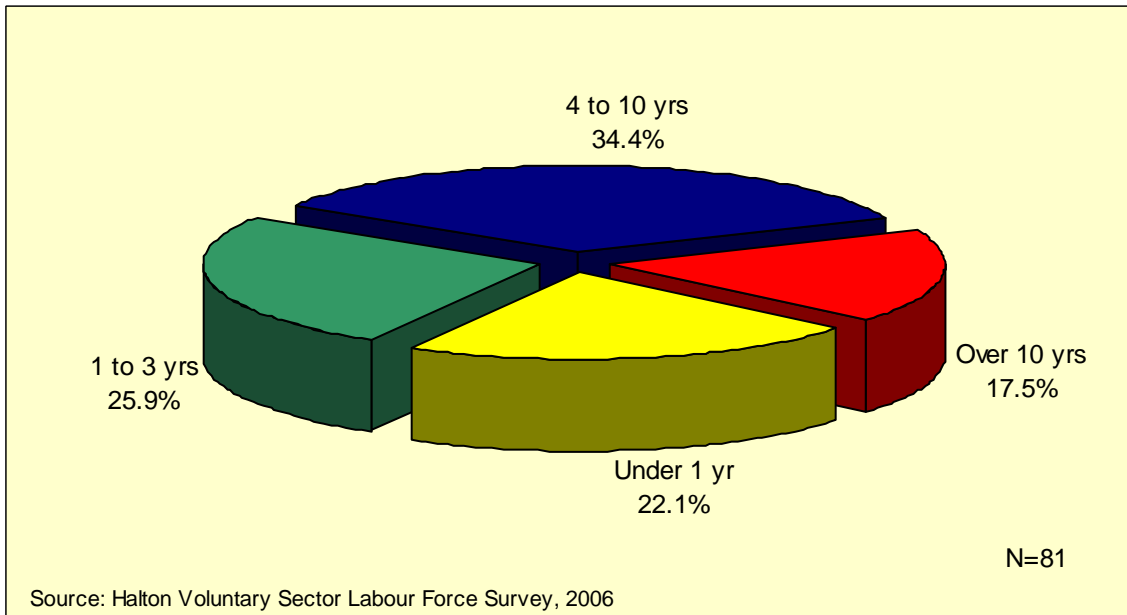
Figure 12 looks at the education of Halton survey respondents' employees by positions within their agencies. Senior management has the highest level of postsecondary education, with approximately 30% of department/division heads and executive directors having undergraduate and/or graduate/professional degrees. Those in positions below senior management, including almost half of office support employees (45.9%), have primarily college certificates or diplomas. Since these are the ranks from which future senior management for the sector may be drawn, an important question arises about opportunities and supports for employees at this level to advance their postsecondary educations at the undergraduate or graduate/professional degree levels.

Figure 12: Halton Agency Respondents' Employees by Education Levels and Positions



Work experience in the sector is also an important employee asset. Figure 13 indicates that agency respondents say that just over one-fifth of their employees (22%) have under one year of service with their agencies and just over one quarter (26%) have one to three years. Over a third of employees (34%) have four to ten years of service, and 18% have more than ten years.

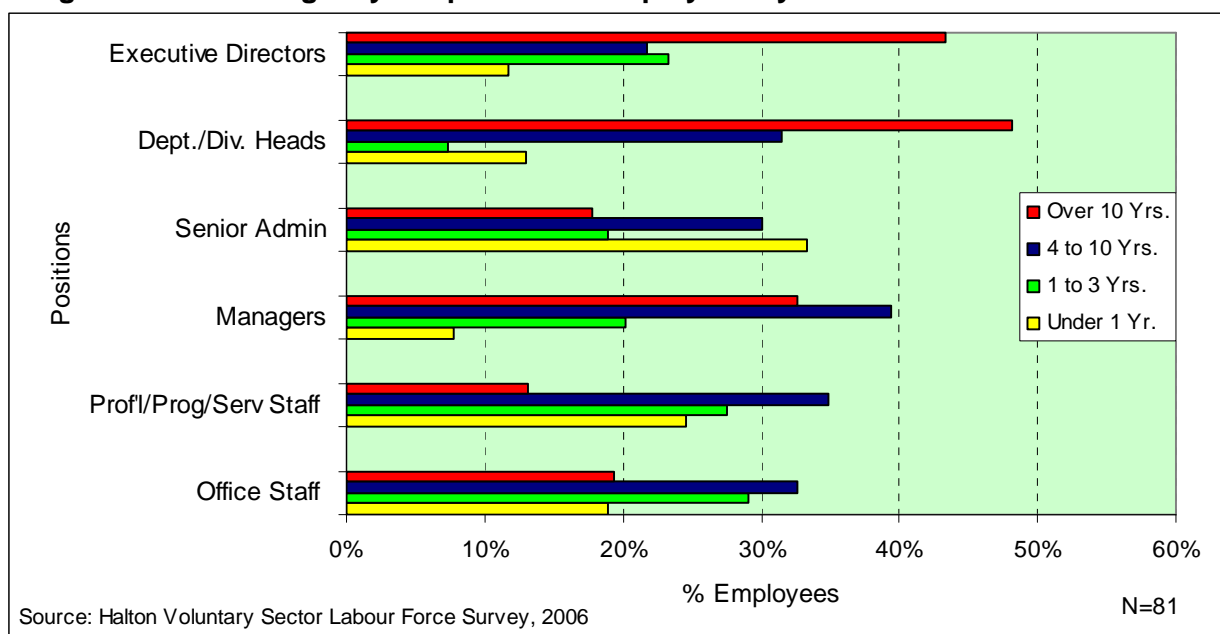
Figure 13: Halton Agency Respondents' Employees by Years of Service



As expected, Figure 14 shows that senior management has more years of experience, with the category of department/division heads actually having a slightly higher proportion with more than ten years experience (48%) than executive directors (43%). There is fairly good distribution of experience in the four to ten year range across positions below that of executive director.

One noticeable difference is the higher proportion of senior administrators with under one year of service (33% as compared to 22% average across all positions). The job functions presented to survey respondents for the senior administrator position described “*positions dedicated to organizational rather than program/service operations (e.g., Executive Assistant, Office Supervisor/Manager, Fund Raiser, Media Relations, Accountant).*” Does the high proportion with less than a year’s experience reflect a possible recent trend of agencies recognizing the need for staff dedicated to tasks related to organizational maintenance or reinforcement?

Figure 14: Halton Agency Respondents’ Employees by Years of Service and Position

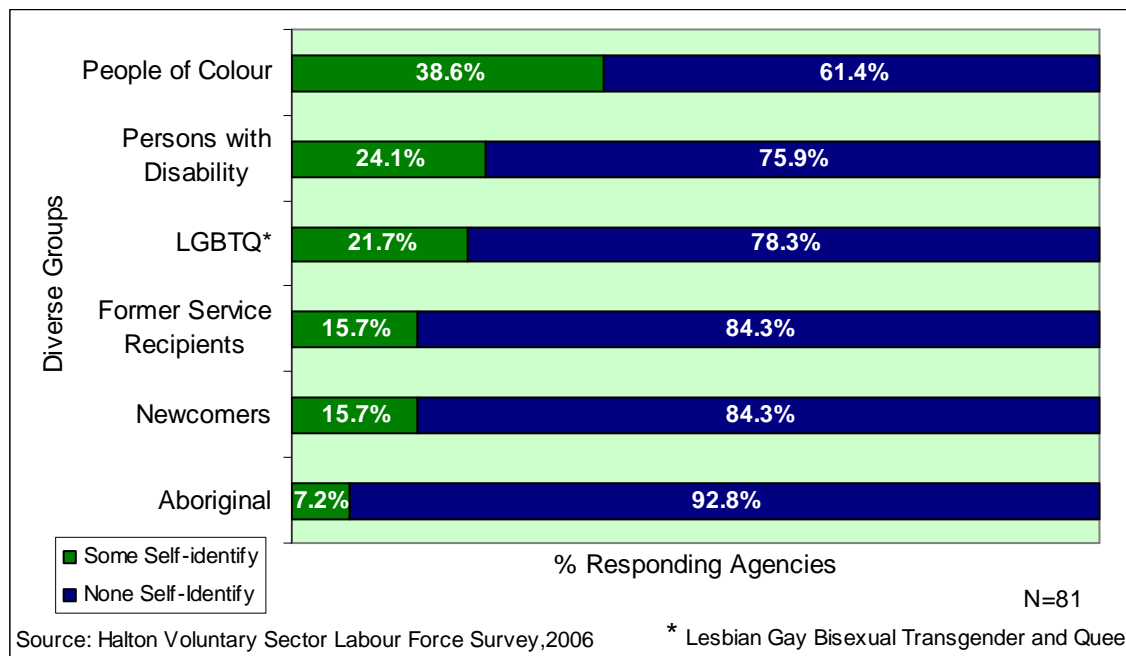


3.2.4 Diversity

The Halton Nonprofit and Voluntary Sector Labour Force Study survey was not administered to employees, so that direct information on employee self-identification with diverse communities within the population was not available. Agencies were asked, however, to indicate whether they employed people who self-identified with a number of diverse groups. Figure 15 shows the results. Over 38% of agencies report that their employees include people who self-identify as people of colour, commonly understood as equivalent to visible minorities. Almost 16% indicate that they have employees who self-identify as newcomers.

Employees self-identifying as having a disability and those who self-identify as LGBTQ are found in 24.1% and 21.7% of agencies respectively, while 7.2% of agencies indicate employing Aboriginal people.²¹

Figure 15: Halton Agency Respondents' Employees Self-Identifying with Diverse Groups in the Community



Although the survey findings cannot be confidently converted into any estimates of actual employees self-identifying with these groups, it is notable that agencies reporting no employees self-identifying with these diverse parts of the community range from 61% to 93%. Only one in five agencies has self-identifying employees in all six areas of diversity presented. At the least, this suggests the need to set improved benchmarks for diversity in employment in the sector for Halton, especially as its population grows and encompasses a wider range of diversity.

Agencies provided some additional information on their workforce diversity. A multi-lingual capacity among employees is one good measure of workforce diversity. In the Halton survey, 74 agencies report the proficiency of their employees in languages in addition to English along two dimensions – ability to communicate basic information in the language and/or capacity to provide the agency’s services in the language. Table 12 shows the response. All percentages reported are based on the 74 agencies that responded to the question.

²¹ It is important to note here that the survey question inquired whether agencies had any employees who self-identified as “sexual minorities,” not LGBTQ (Lesbian/Gay/Bi-sexual/Transgendered/Queer). Feedback from a local advocacy organization objected to the use of “sexual minority” in the questionnaire in lieu of a variant of LGBTQ, which is the LGBTQ community’s own preferred terminology. Hence, the findings for this part of the survey are reported in this way.

Table 12: Language Proficiency Among Employees in Halton Agency Respondents (N=74)

Employee Language Proficiency	Official Language		Additional Non-Official Languages					
	French		First		Second		Third	
	No.	%	No.	%	No.	%	No.	%
Communicate Basic Information	13	17.5	6	8.1	4	5.4	3	4.0
Provide Services	4	5.4	2	2.7	3	4.0	2	2.7
Both Information & Service Provision	9	12.1	8	10.8	2	2.7	1	1.3
TOTALS	26	35.0	16	21.6	9	12.1	6	8.0

Just over a third of agencies (35%) indicate some proficiency in French, particularly in terms of communicating basic information. Beyond the Official Languages, just over 21% of responding agencies have some proficiency in a third language, 12.1% in two additional languages and 8.1 % in three additional languages.

Altogether, agencies say that their employees have some level of proficiency in 14 languages beyond English and French, Spanish being most often identified (seven agencies), followed by Polish (five), Italian (three), German, Urdu and American Sign Language (two each) and Mandarin, Cantonese, Portuguese, Romanian, Arabic, Punjabi, Hindi, and Welsh (one each).

It is important to note that the responses on language proficiency do not suggest a “core multi-lingual capacity” in the agency base (i.e., commitment to hiring personnel with certain language skills for specific job purposes such as working with a minority language community). Rather, the findings reflect the linguistic capacity of existing employees whether or not those skills are used on the job.

3.3 Stability of Employment

The Halton Nonprofit and Voluntary Sector Labour Force Study survey results are highly consistent with national survey findings on changes in number of employees over a three-year period, even though the recent three-year periods are not exactly the same. Table 13 shows that increases, no change, and decreases in total staff over the last three years (2002-2005) for survey respondents are within several percentage points of the national survey respondents in the Social Services sector for the 2000-2003 period.

Despite resource constraints and difficult operating environments, neither the national survey nor Halton survey respondents report drastic loss of staff during the respective three-year periods. Rather, in each survey, about half of the respondents say that their total number of employees has stayed the same over the last three years and that 37.3% of Halton agency respondents and 38% of national survey respondents increased their employee numbers.

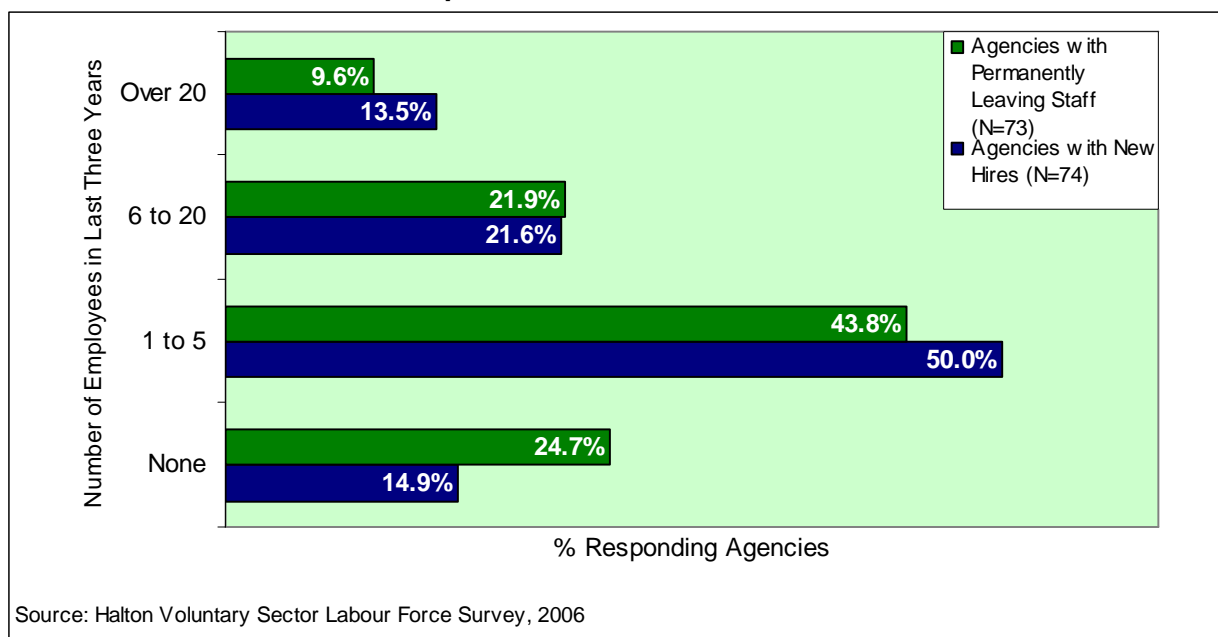
Table 13: Changes in Numbers of Total Employees Over Three-Year Periods, Halton Agency Respondents (2006) by Organization Size and Compared to National Survey Results (2003)

Size of Organization by Number of Staff	In the last three years the total number of paid staff in the organization has:			TOTALS
	Increased	Stayed the Same	Decreased	
Halton Survey: <i>Less than 10 staff</i> No. = 37 agencies Yr. 2002-2005	21.6%	67.6%	10.8%	100.0%
Halton Survey: <i>More than 10 staff</i> No. = 30 agencies Yr. 2002-2005	56.7%	26.7%	16.6%	100.0%
All Halton Survey Respondents, No. = 67 agencies Yr. 2002-2005	37.3%	49.3%	13.4%	100.0%
<i>NSNVO</i> ²² Social Services Yr. 2000-2003	38%	51%	11%	100.0%

The *NSNVO* results reported that larger agencies especially in the highest revenue categories had staff increases in the three year period. Similarly, Table 13 indicates that agencies in Halton with ten and more staff were more likely than agencies with less than ten staff to have had staff increases between 2002 and 2005. Agencies with ten and more staff were also slightly more likely to have experienced a staff reduction, 16.6% compared to 10.8% of agencies with less than ten staff. The agencies with smaller staff bases mostly say that their staff complements stayed the same over the last three years (67.6%).

²² Hall et al., *Cornerstones of Community*, p. 40, Table 3.13.

Figure 16: New Hires and Permanently Leaving Employees in Halton Agency Respondents in Last Three Years



In terms of staff turnover, Figure 16 shows that just over 75% of agency respondents to the Halton survey say that employees have left in the last three years, which is offset by 85% reporting that there were new hires in the last three years. This reinforces the findings of Table 13 that overall staff bases in the nonprofit human services have remained relatively the same with a slight increase rather than decrease. Ninety percent of Halton agency respondents also report that they have no positions that have been vacant for an extended period of time.

Investigating further why employees leave their jobs with nonprofit human service agencies, 54 agency respondents articulated a range of reasons, which cluster into the following three main groupings shown in Table 14:

- (a) Competitive job factors related to retaining employees in the sector
- (b) General reasons that people leave employment regardless of sector; and
- (c) Factors related to funding and pressures on the nonprofit sector

Table 14: Reasons for Leaving Employment with Halton Agency Respondents

Reasons for Leaving Employment Permanently	Frequency of Reason (No. of Agencies Responding = 54)	Grouped Response (% of Total Agency Responses)
Competitive Job Factors:	30	43%
Wages/Compensation	15	
Hours/Status (PT, Temp.)	11	
Benefits	4	

Reasons for Leaving Employment Permanently	Frequency of Reason (No. of Agencies Responding = 54)	Grouped Response (% of Total Agency Responses)
General:	29	41%
Personal (Health/School/Family)	13	
New job opportunity	6	
Retirement	7	
Lay-off, Quit, Fired	3	
Sector Pressures:	11	16%
Contract work	8	
Restructuring	2	
Funding ended	1	
TOTAL No. Agency Responses	70	100%

Halton agency respondents attribute the loss of permanent staff over the last three years slightly more to the sector's inability to compete with other job opportunities on factors important to employees (43%) than to reasons related to personal choices and circumstances (41%). Factors related to other resource and structural pressures particular to the nonprofit sector make up 16% of all responses on reasons for job leaving, with time-limited contract work constituting half of that grouped response.

3.4 Quality of Employment

The foregoing suggests that, although the overall employment base in nonprofit human service agencies in Halton is relatively stable, competitive factors in the job market are costing agencies the loss of employees. This section will review the quality of employment available in this sector in terms of job status, salaries/wages and benefit coverage as reported by agency respondents.

The ability to maintain a permanent staff base provides more job security to employees. Temporary and contract employment is less secure and can create situations where good employees are susceptible to being lost to other job opportunities that offer permanent job status.

Also, a higher level of full-time employment is considered more satisfactory, as it is related to higher levels of income and more frequent access to benefit coverage. Many people working part-time, however, do prefer the arrangement for personal, family and other reasons, such as educational pursuits.²³

²³ Katherine Marshall, "Part-Time by Choice." *Perspectives on Labour and Income*. Catalogue No. 75-001-XPE. (Ottawa: Statistics Canada, November 2000), pp. 5-17.

3.4.1 Job Status: Permanent vs. Temporary

In national survey findings for nonprofits, the split between permanent and temporary job status in the Social Services sector is 65% to 35% respectively.²⁴

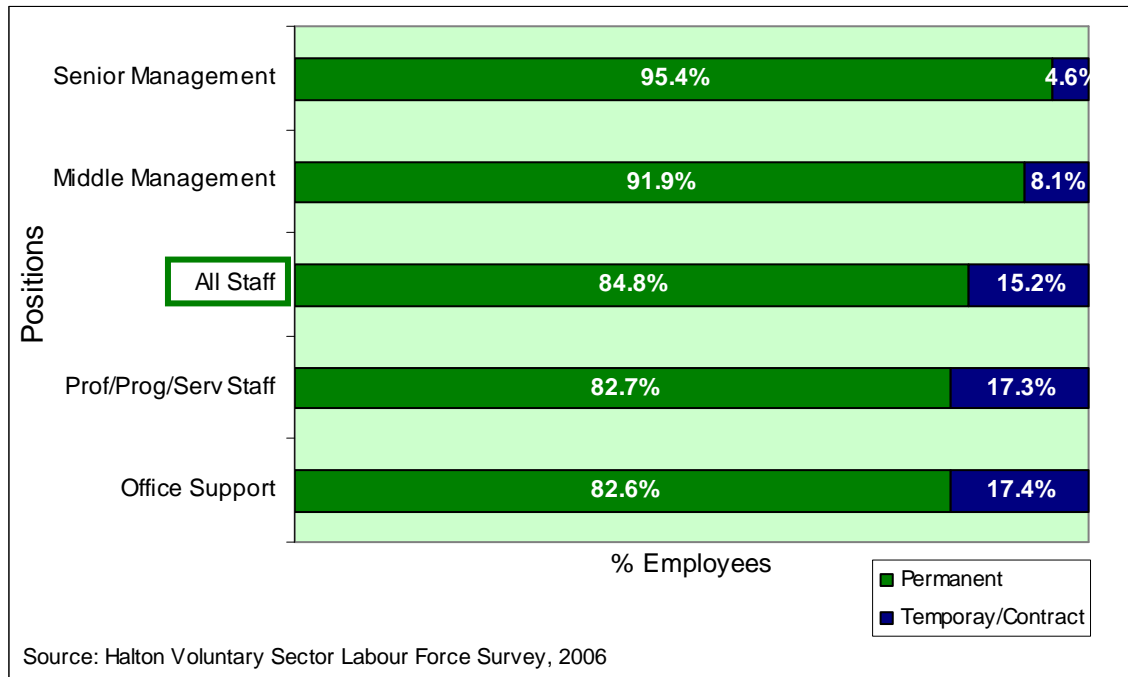
A first look at the Halton Nonprofit and Voluntary Sector Labour Force Study survey suggests a healthy picture of job status using the measures of permanent versus temporary employment. Overall, Figure 17 shows that almost 85% of employees have permanent positions and only a little more than 15% have temporary or contract positions, which is much more favourable than the national survey results for the nonprofit human services sector.

Permanent versus temporary jobs, however, vary significantly by position. Permanent job status is the norm for senior management employees compared to professional/program/service employees (i.e., direct service workers) and office support staff, although more than 80% of those in these positions also have permanent employment.

Closer investigation of these results, however, reveals an important difference by size of nonprofit agency. Larger agencies with total employee bases of 100 or more have a much higher proportion of permanent employees. This is especially true at the direct service staff level as conveyed in Figure 18. Agencies with less than 100 staff report that just over 73% are in permanent positions, while 26.4% are working on a temporary/contract basis. This is well below the overall levels of permanent job status (84.8%) and is significant, as direct service staff make up the bulk (74%) of the overall employee base in Halton's nonprofit human services sector.

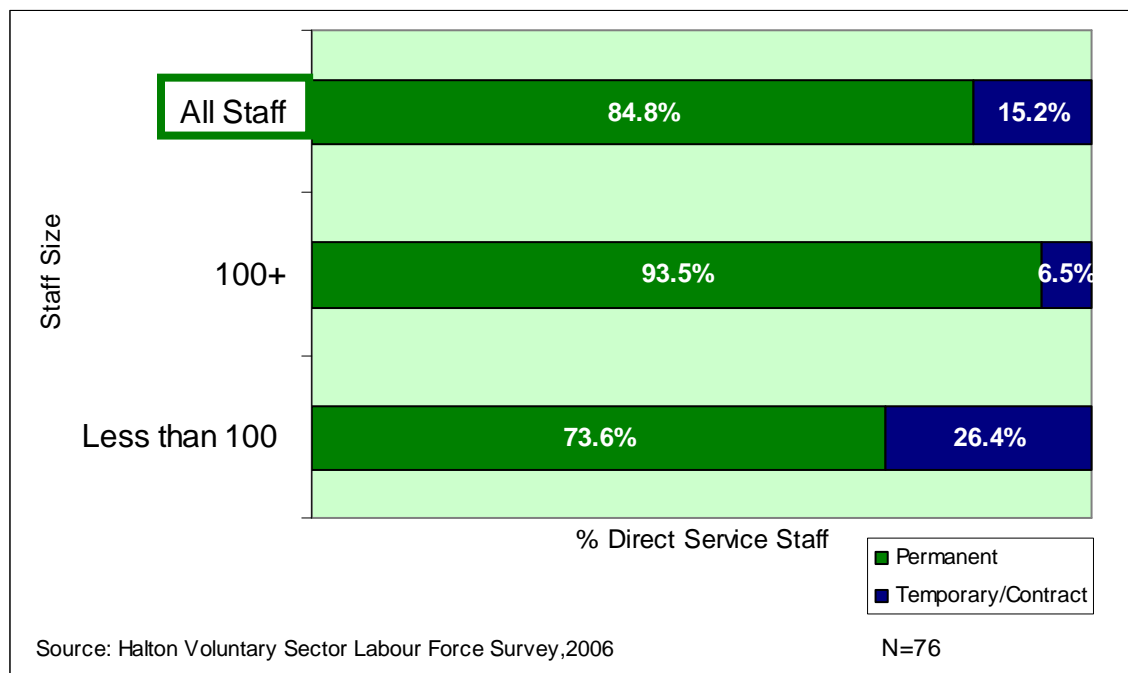
²⁴ Hall et al. *Cornerstones of Community*, p. 38, Table 3.11.

Figure 17: Halton Agency Respondents' Employees: Permanent and Temporary/Contract Work



Of further interest is that the group with less than 100 staff includes 17 agencies with one to nine staff, which employ 51 direct service workers. In this group only 58.8% are permanent staff and 41.2% of positions are temporary/contract. Eleven of these agencies report having no permanent direct service staff at all, totally relying on temporary and contract staff for their service delivery. These agencies, of course, do not include the five respondents who report having no paid employees at all. Clearly, the smallest agencies hold the most insecure jobs for their employees on this measure of permanent versus temporary work and they make up the vast majority of nonprofit human service agencies.

Figure 18: Job Status of Direct Service Staff: Permanent and Temporary/Contract by Total Agency Staff Size of Halton Agency Respondents



3.4.2 Job Status: Full-time vs. Part-time Work

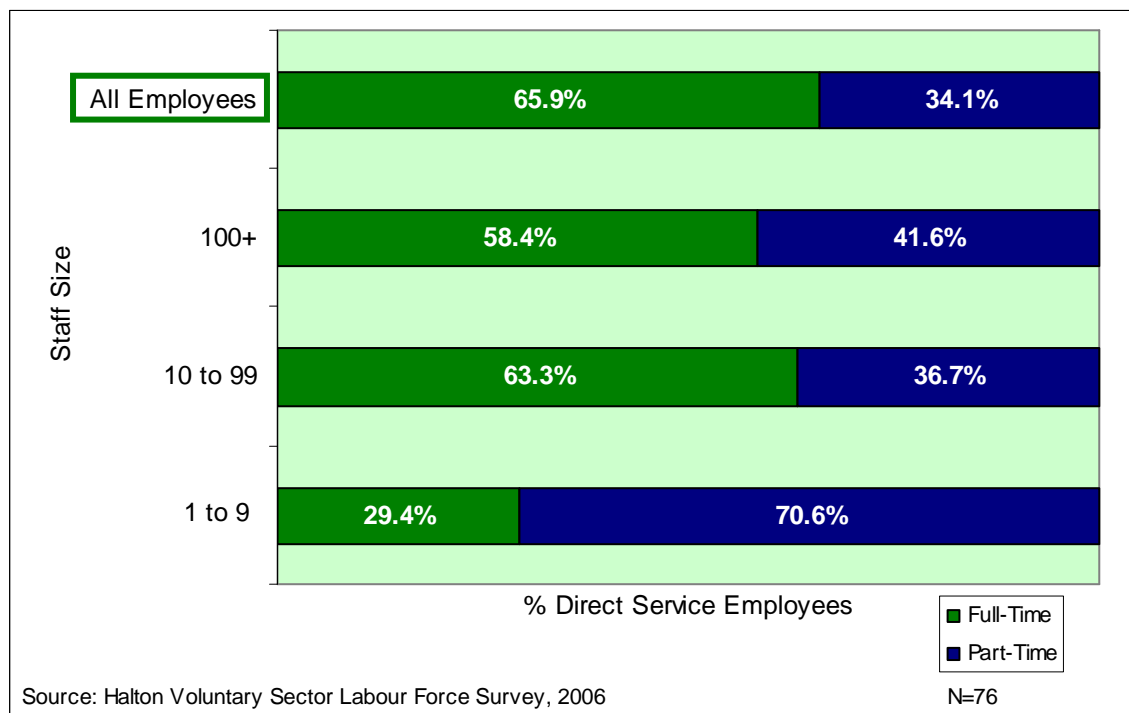
The national survey results for the Social Services nonprofit sector indicate that full-time workers constitute 57.1% of the sector’s workforce and part-time workers, 42.9%.²⁵ The level of part-time employment for the nonprofit sector in Ontario is much higher than the Ontario average for all jobs (18.8%).²⁶ In Halton the proportion of part-time employment in all industries is 22%.²⁷ This is well below the 34.1% level of part-time employment among Halton nonprofit agency respondents shown in Figure 19.

²⁵ Ibid. p. 38.

²⁶ Scott et al., *The Nonprofit and Voluntary Sector in Ontario*, p. 36.

²⁷ Community Development Halton, *Halton Human Services Sector Labour Force Profile*. Working Paper series #2, p. 12.

Figure 19: Halton Agency Respondents' Direct Service Workers' Full-Time versus Part-Time Status by Size of Agency

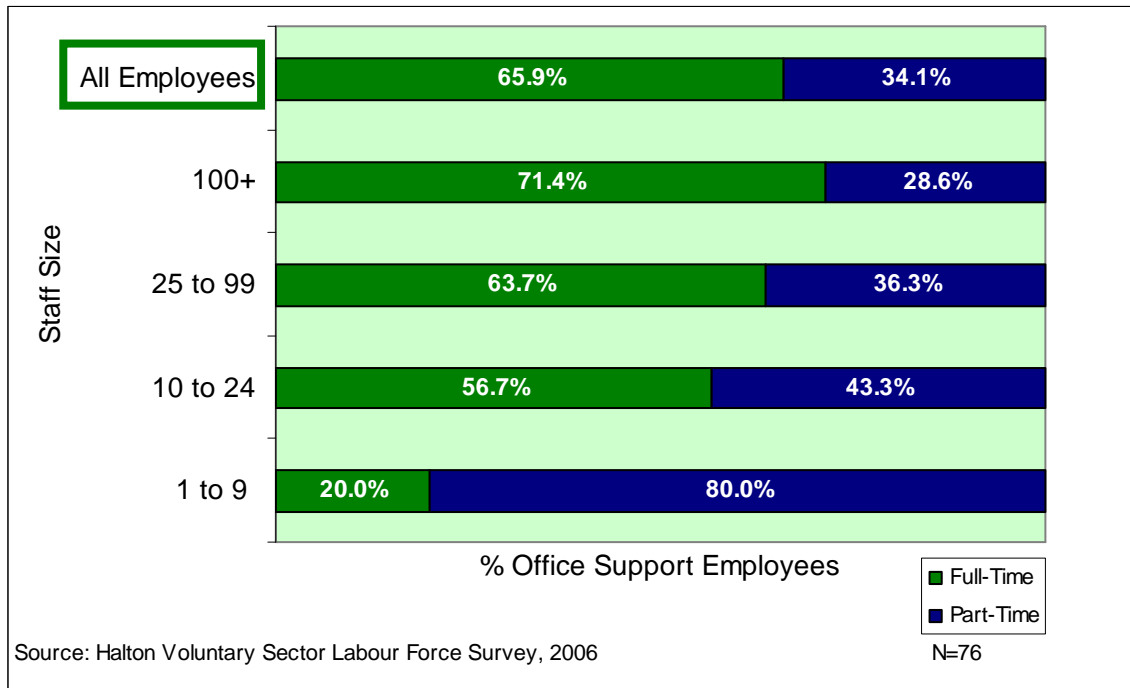


As with permanent versus temporary work, direct service workers in agencies responding to the survey have a much higher share of part-time work than do managers. Less than one out of ten senior management employees (9.3%) and middle management employees (7.7%) are part-time. Four out of ten direct service staff, however, are part-time in the survey response (40.7%). Office support staff are almost at the same level with 37.4% part-time employment. Figures 19 and 20 indicate that part-time employment in these two positions also varies according to the size of the agency.

In surveyed agencies with under 10 staff, seven of ten (70.6%) direct service employees work part-time. In medium-sized agencies with between 10 and 99 staff, just over 36% of direct service workers are on part-time hours. This rises to 41.6% for direct service workers in larger agencies (100 or more staff), suggesting that larger agencies may use part-time direct service staff to some degree as a flexible contingency workforce.

Office support staff progress fairly steadily from 20.0% full-time work in small agencies to 71.4% full-time work in large agencies with 100 or more staff as seen in Figure 20. This suggests that, as administrative needs grow with the size of the agency, office support requirements shift from part-time to full-time arrangements with employees.

Figure 20: Halton Agency Office Support Staff's Full-Time versus Part-Time Status by Size of Agency

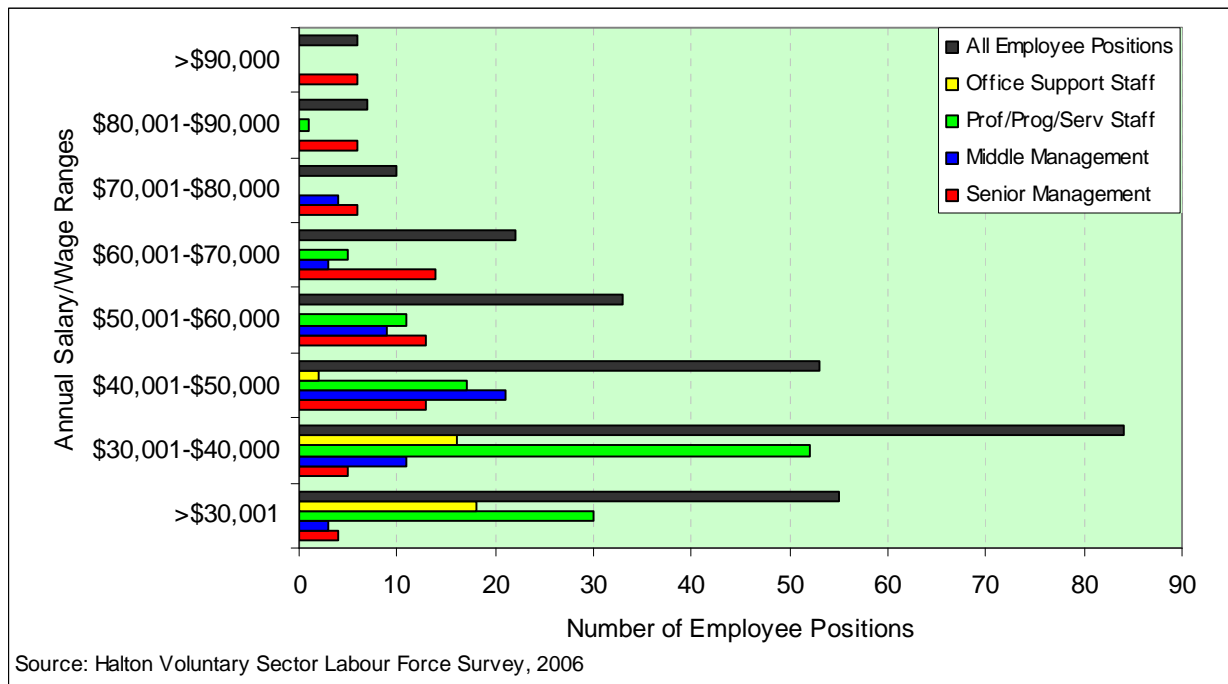


3.4.3 Wages/Salaries

The findings of the Halton Nonprofit and Voluntary Sector Labour Force Study survey are consistent with Census data and previous research on salaries and wages in the nonprofit human services field. The median annual salary/wage among the survey respondents is in the \$30,001 to \$40,000 range. Figure 21 indicates that this range applies most directly to direct service worker positions among the survey respondents. Even senior management positions, however, fall primarily between \$50,001 and \$70,000 in annual income, as compared to the \$77,419 reported by Census Canada as average annual salary income levels for Halton residents in management occupations.²⁸

²⁸ Ibid. p. 17.

Figure 21: Halton Survey: Annual Salary/Wage Ranges for All Employee Positions

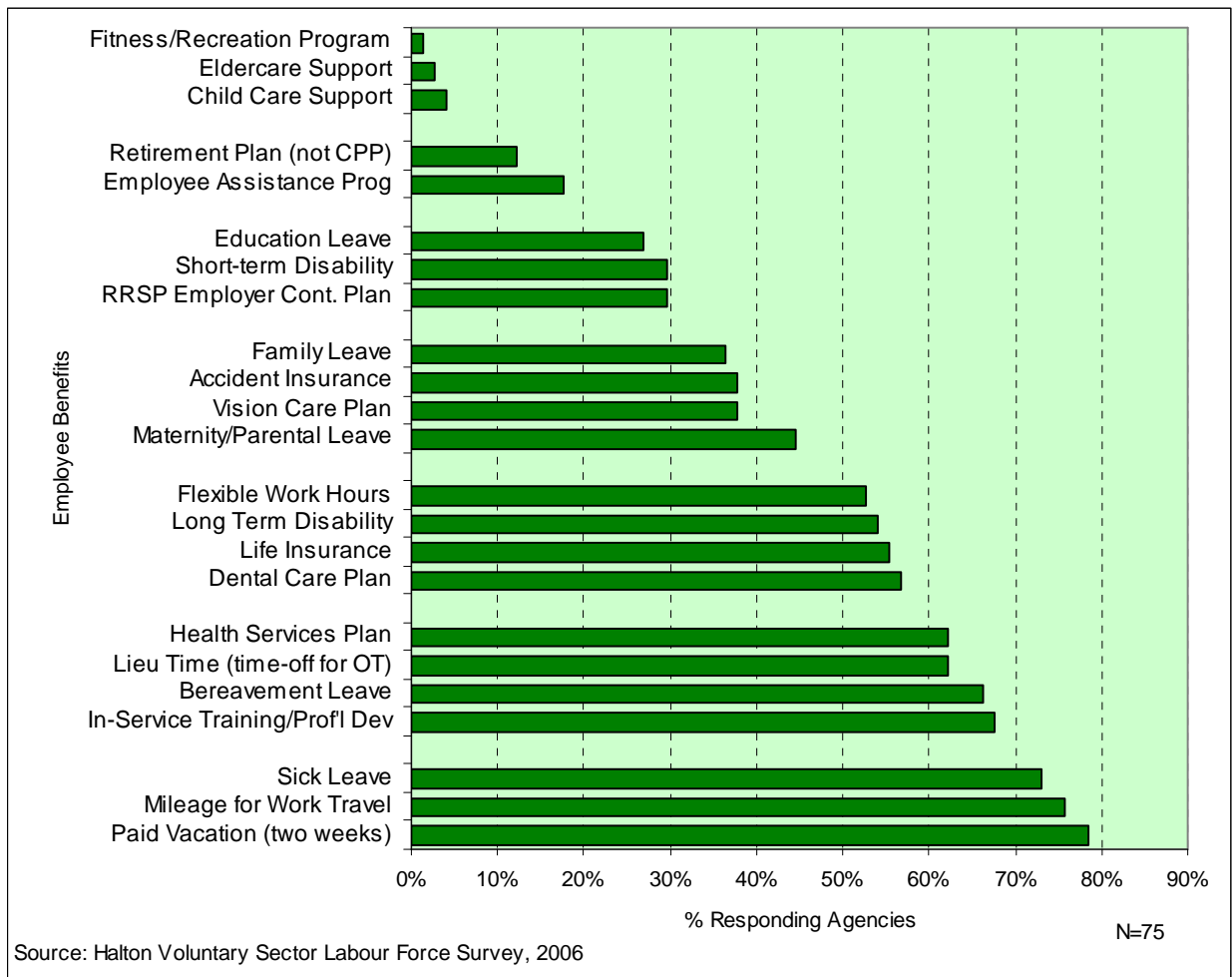


Almost 40% of agency respondents report increasing employee salaries at a level equivalent to the rate of inflation for the last three years and another 45% indicate salaries have stayed about the same in the last three years. Three agencies (4.4%) say that staff salaries have decreased significantly in the last three years. Only seven agencies report having increased staff salaries more than the rate of inflation over the last three years.

3.4.4 Benefits

Employee benefit coverage provided by agency respondents is portrayed in Figure 22. The highest level of coverage is for statutory obligations (e.g., minimum paid vacation time), controllable costs (mileage, in-service training) and non-direct cost benefits (lieu time for overtime, sick and bereavement leaves). Benefits with more substantial employer and employee cost contributions (dental care, life insurance and long-term disability insurance) are provided in more than 50% of the agencies. Other benefits are provided by fewer than 50% of responding agencies, especially retirement income benefit plans.

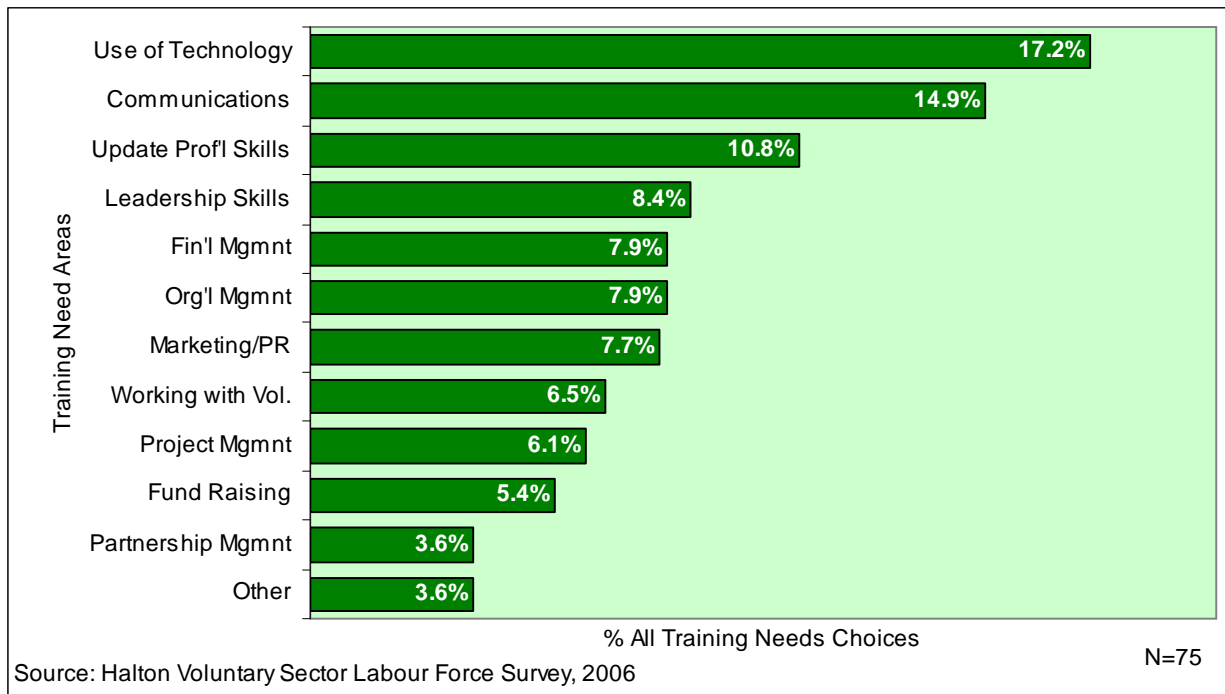
Figure 22: Halton Agency Respondents: Benefit Coverage Provided



Seventy agencies answered a survey question about whether employee benefits were equitably available to all their employees. Just over 40% replied that not all employee benefits were available to all employees, indicating differences favouring managerial, permanent and full-time positions for the most part. Almost 40% of all responding agencies also indicate that they have experienced significant increases in the cost of premiums for their employee benefit plans in the last three years.

3.4.5 Employee Training Needs

Figure 23: Priority Employee Training Needs for All Positions Combined of Halton Agency Respondents



Survey respondents were offered a list of twelve areas for employee training and were asked to select the top three priority training areas for their employees by job position. Ten of the twelve areas were chosen from national survey research. An eleventh, “Working with Volunteers” was added as a training area of interest of particular relevance to this research project. A twelfth choice “Other” was added for respondents to offer their own preferences. Figure 23 shows the agency survey response for priority employee training needs for all positions combined.

“Use of technology”, “Communications Skills” and “Updating Professional Skills” were the top three priority training need areas identified in 11% to 17% of all choices. “Use of technology” is highest across all job categories, except for the professional/program/service employees for whom it falls behind “Communications Skills” and is about equivalent to “Updating Professional Skills.”

Notably, “Fund Raising” and “Partnership Management” were tenth and eleventh in priority choices, ranking relatively low even on the respondent choice list for senior management. “Marketing/Public Relations” and “Financial Management” were identified as the second and third highest choices for training for senior management.

“Working with Volunteers” as a training need area ranked as the fourth highest choice for direct service employees but was the second last most frequently identified training need for Senior and Middle Management.

Of the 70 agencies replying to the inquiry about how many employees received training through the agency in 2005, only seven (10%) indicated “none.”²⁹ Altogether, respondents report a total of 1,182 employees receiving training in 2005, which is almost half (48.9%) of the total employee base among all respondents.

Table 15 shows that training through agencies is not limited to larger organizations. Twenty-nine (29) agencies with four staff or less and nine (9) with five to nine staff say that they provided training to their employees in 2005.

Table 15: Employee Training Provided by Agency Respondents by Staff Size

No. of Employees Receiving Training	Agency Respondents by Number of Paid Employees (N = 70)					
	0 to 4	5 to 9	10 to 24	25 to 99	100+	Totals
None	6	1	--	--	--	7
1 to 3	20	4	--	--	--	24
4 to 10	2	4	4	--	--	10
10+	1	0	10	14	4	29
Totals	29	9	14	14	4	70

In terms of resources for employee training, agencies identified the range of funding sources that they use to cover training costs. Table 16 indicates that almost three-quarters of agency respondents (74.6%) use their core operating budgets for employee training. This primary source of training cost coverage far outstrips the next three most frequent funding sources for employee training, which are: Voluntary sector training programs (29.6%), Project funding with training budgets (26.8%) and Government training programs (22.5%). Using self-generated agency revenue (16.9%) or employee coverage of their own training (11.3%) are the two least frequent ways of funding employee training.

Table 16: Agency Respondents’ Main Sources of Funding for Employee Training

Main Source of Employee Training Funding	Respondent Use (N=71)	
	No.	%
Agency’s Core Operating Budget	53	74.6
Voluntary Sector Training Programs	21	29.6
Project Funding with Training Budgets	19	26.8
Government Training Programs	16	22.5
Self-generated Agency Revenue	12	16.9
Employee Coverage of Training	8	11.3

²⁹ The seven reporting “no employee training” in the last year include one agency without any staff.

3.5 Major Employee Issues/Challenges

The survey asked agency respondents to state, in their own words, up to three major issues or challenges related to their paid employees that they anticipated encountering in the next five years. As summarized in Table 17, the two most frequent clusters of response speak to struggles with a more competitive labour market. The most frequently cited issues and challenges are “providing adequate compensation for employees” (49% of agency respondents) and “attracting and recruiting qualified staff” (44%). A second tier of responses relates to “job quality and working conditions” (19%), “organizational capacity to support employees” (17%) and “providing training and development opportunities for employees” (14%).

Table 17: Major Issues Related to Paid Employees in the Next Five Years Identified by Halton Agency Respondents

Major Issues Related to Paid Employees	Percent of Agency Respondents
<p>Adequate and Competitive Compensation and Benefits <i>“Hiring and retaining staff due to agency’s inability to increase salaries.”</i> <i>“Challenge in being able to continue to provide the kinds of health benefits we have offered in the past. Our usage of the [employee health plan] is high and resultantly, we have incredibly high renewal fees.”</i> <i>“Benefit costs and costs in general are increasing. With no additional core funding, staffing is under pressure even when salaries are not increasing.”</i></p>	<p>49%</p>
<p>Attracting and Retaining Qualified Competent Staff <i>“Challenge of being able to attract and keep qualified staff as we cannot offer ‘competitive’ salaries for several positions.”</i> <i>“Retaining staff due to gaps in funding.”</i> <i>“Staying competitive in this field and not lose staff to the school board.”</i></p>	<p>44%</p>
<p>Dealing with Job Quality and Working Conditions <i>“Continued pressure of increased workload with continued limited resources.”</i> <i>“The high demand for evening and weekend hours make it hard to attract and keep staff.”</i> <i>“Part-time work only appeals to certain people. Many leave when full-time opportunities present themselves.”</i></p>	<p>19%</p>
<p>Organizational Development and Capacity to Support Employees <i>“Our project grants are unsustainable... and not renewable. Project grants also tend not to offer dollars for admin costs, which causes further stress on core budgets.”</i> <i>“Our overhead costs have all increased, but our funding has been frozen for approximately ten years.”</i> <i>“Expansion of workplace to include newly created positions.”</i></p>	<p>17%</p>
<p>Providing Staff with Training and Development <i>“Provide staff with increased opportunities for training and development.”</i> <i>“Upgrading/maintaining [staff] skills.”</i> <i>“Shortage of funds for ongoing [staff] training.”</i></p>	<p>14%</p>

4. HUMAN RESOURCES: Volunteers

Volunteers are an essential resource to the entire nonprofit sector in governance, fund raising, delivering programs, and a variety of other activities. The NSNVO notes from its national survey in 2003 that “[v]irtually all nonprofit and voluntary organizations rely on volunteers to some degree, and more than half rely solely on volunteers to fulfill their mission.”³⁰ The NSNVO results show that volunteers in Social Services organizations make up 11.8% of all nonprofit volunteers, falling third behind those in Sports and Recreation (20.9%) and Religion (19.0%). In terms of contributed time, however, Social Services volunteers give 20.4% of total volunteer hours, just behind those in Sports and Recreation (22.8%).³¹

The Halton Nonprofit and Voluntary Sector Labour Force Study inquired about the volunteer base of nonprofit human service agencies in Halton. It was anticipated, however, that agencies responding to the survey would not have as specific and precise information on their volunteer involvement as they had for their employees. Twelve (12) of the 81 responding agencies did not provide a full breakdown of the information on their volunteer base.

Given the lower probability of recorded information on volunteer numbers and characteristics, for many questions agencies were asked, if they did not have the exact information, to provide their best estimates on numbers of volunteers. Also, as volunteer participation can range from small to very high numbers in different agencies, and in order to expedite agency response to the survey, the electronic version of the survey offered ranges for estimates in many response categories. For example, the electronic version of the survey asked respondents to indicate how many of their volunteers were women or men from a series of options ranging from zero, to 1 to 10, 11 to 20, 21 to 30, and so on up to 500 or more.

The hard copy mailed version of the survey asked respondents to estimate with whole numbers. When processed, the lowest numbers in the ranges from the electronic version were incorporated into the data set. Therefore, the volunteer numbers in the data reported in this section are conservative or low end estimates.

4.1 Scale of Volunteer Participation

4.1.1 Volunteer Numbers

Altogether, 70 of the 81 survey respondents reported their total number of volunteers. This total amounts to 7,933 volunteers in all. One agency, reporting 1,200 volunteers was the only agency at more than 1,000 volunteers and was separated by more than 400 volunteers from the nearest cluster of five large agencies with volunteers in the 500-800

³⁰ Hall et al. *Cornerstones of Community*. p. 32.

³¹ *Ibid.*, p. 33, Table 3.2.

range. As no further breakdown of the 1,200 volunteers was provided by the agency, it could be considered an ‘outlier’ in the survey data set. Disregarding that agency’s volunteer numbers, the survey results reflect information on a total of 6,733 volunteers provided by the remaining 69 agencies.

Table 18 indicates the breakdown of agency response by number of volunteers. Most of the survey respondents (68.1%) have from 10 to 99 volunteers. This is consistent with NSNVO survey results for Ontario, which show that a high proportion (64%) of nonprofit agencies has one to 99 volunteers and a smaller proportion (16%) has volunteers in numbers exceeding 100.³² Similar to the provincial and national survey findings, then, most Halton agency respondents have under 100 volunteers.

Among all responding agencies, the median number of volunteers is 35 (i.e., half the agencies reporting more than 35 volunteers and half less)

Of agencies in the two highest ranges (100 to 199 and 200 or more), 75% of volunteers are concentrated in 14 agencies, pushing the average number of volunteers per agency across all respondents to 96.

The number of volunteers is not dependent on the size of the organization in terms of staff or revenue. It is important to note that only two of the respondents with more than 200 volunteers are large agencies with more than 100 paid staff; only one agency with 100 to 199 volunteers has between 51 to 99 employees. Eight of the respondents with more than 100 volunteers have staff numbering 25 or fewer, including four with zero to five staff.

Table 18: Agency Survey Respondents by Number of Volunteer Participants

Total Size of Agency Volunteer Base	Halton Survey Respondents			
	Agencies		Volunteers	
	No.	%	No.	%
1 to 9	8	11.6	48	0.7
10 to 24	19	27.5	282	4.2
25 to 99	28	40.6	1,360	20.2
100 to 199	6	8.7	844	12.5
200+	8	11.6	4,199	62.4
TOTALS	69	100.0	6,733	100.0

4.1.2 Type of Volunteer Activity

Survey respondents indicated the degree of volunteer involvement in different roles with their agencies. Table 19 illustrates the range and level of involvement of volunteers in different activity areas with the survey responding agencies. Participating in program delivery (61.6%) is the highest level of volunteer activity by far. Fund raising activities are

³² Scott et al. *The Nonprofit and Voluntary Sector in Ontario*, p. 30, Figure 20.

next, engaging 17.9% of volunteers. Board and committee work involves 13.4% of volunteers in the Halton nonprofit human service agencies.

Table 19: Halton Agency Respondents Volunteers by Type of Activity

Type of Volunteer Activity	Number of Volunteers	Percent of Volunteers
Board and Committees	937	13.4
Program Delivery Helpers	4,318	61.6
Fund Raising	1,259	17.9
Administrative/Office Helpers	188	2.7
Other	311	4.4
Totals	7,013³³	100.0

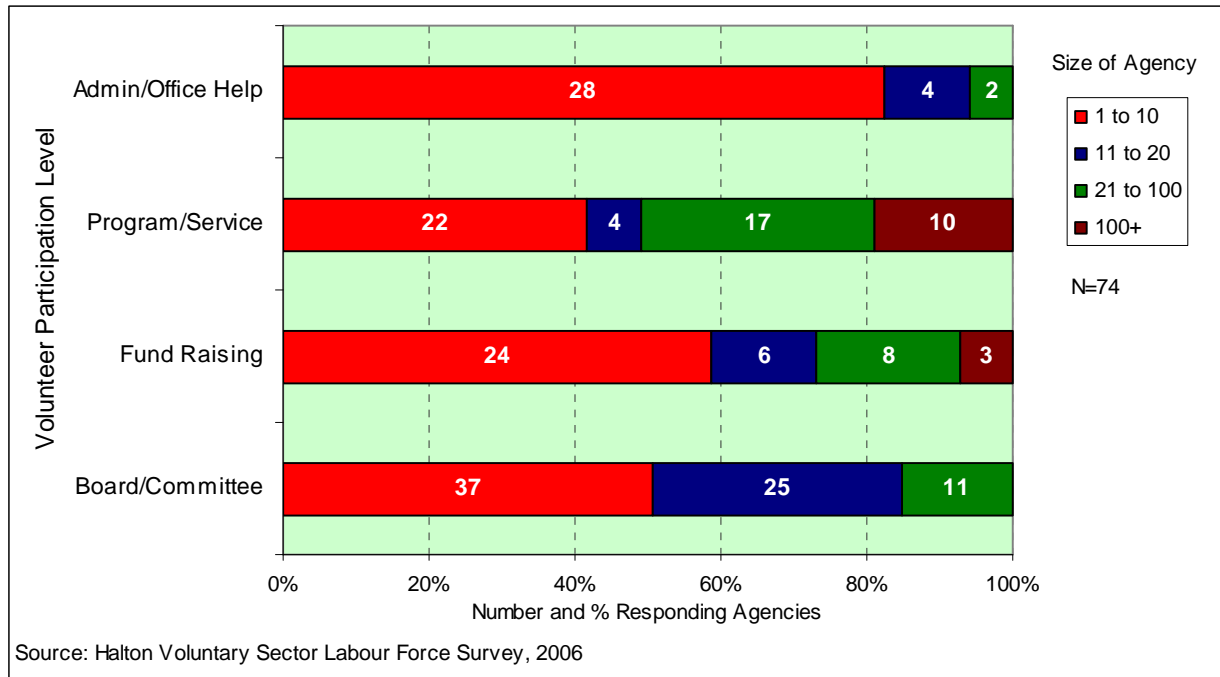
Notably, 10 agencies with more than 100 program helping volunteers account for 3,330 (77.1%) of the total number of program helping volunteers, shown in Table 19.

Figure 24 shows the numbers of volunteers involved in various agency activities among agency respondents that provided information. As an example, 37 agencies, representing just over 60% of respondents, have from one to 10 volunteers engaged in Board/committee work; 25 have from 11 to 20 involved in this area of volunteer activity; and 11 have between 21 and 100 volunteers on Boards and committees. Program helping and fund raising activities engage volunteers in all ranges from small to large numbers.

In governance (i.e., Board/committee work), most reporting agencies indicated volunteer involvement in the ranges of one to 10 and 11 to 20 in number, which seems appropriate for the level of involvement expected in board and committee work. Presumably, the 11 agencies with 21 to 99 volunteers involved in governance are referring to high volunteer participation in committees and advisory groups in addition to the Board. Thirty-four (34) respondents report use of volunteers in office and administrative support roles, most often reporting one to 10 volunteers.

³³ The total number of volunteers in Table 19 varies from the 6,733 stated in Table 18, a difference of 280. This discrepancy probably results from agency respondents identifying a number of their volunteers as being active in several areas of activity over the course of the year.

Figure 24: Halton Agency Respondents' Level of Volunteer Participation in Different Activities



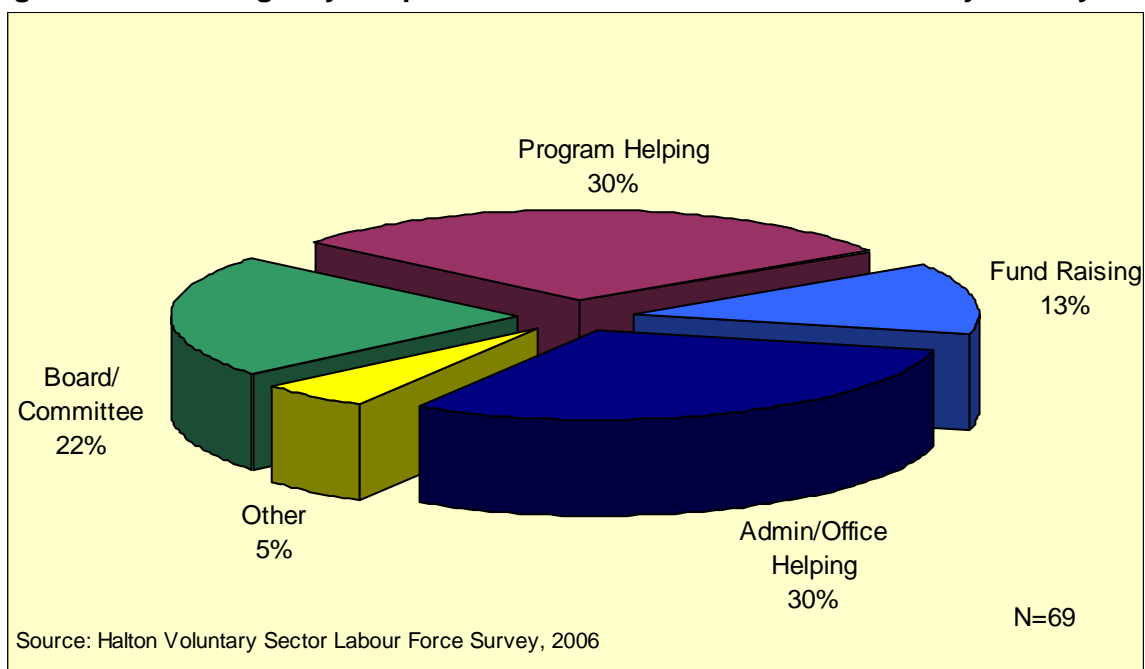
4.1.3 Volunteer Hours

Survey respondents were asked to estimate the number of hours per month that their volunteers contributed in the above roles. The average across all six areas of volunteer activity reported by agency respondents is 130 hours per year of contributed time per volunteer. Although this is lower than the Canadian average of 168 hours (162 hours per year in Ontario) contributed annually per volunteer over all sectors, it is higher than the average Canadian volunteer’s contribution to Social Services organizations (117 hours annually), which is the more relevant comparative figure to the Halton Nonprofit and Voluntary Sector Labour Force Study survey results.³⁴

Among agencies reporting volunteer time contributed by activity area, Figure 25 shows that higher proportions of volunteer time go into program delivery helping (30%) and administrative and office support (30%). Smaller agencies rely more on volunteers for administrative/offices help. Of 53 agencies saying they use volunteers for administrative/office support, 27 (or 51%) are agencies with zero to five paid staff, and their volunteers account for 62% of all volunteer time for administrative/office help. Just over 22% of volunteer time is given to governance in Halton nonprofit human service agencies and 13% of volunteer time goes into fund raising.

³⁴ Hall et al. *Caring Canadians, Involved Canadians* (2006), p. 32, Figure 2.3 and p.89, Table D.

Figure 25: Halton Agency Respondents' Contributed Volunteer Time by Activity Area



4.1.4 Stability and Change in Volunteer Base

As a human resource, most volunteers are involved with Halton nonprofit human service agencies for one to five years. Almost 35% of survey respondents state that their volunteers on average stay involved for one to three years and 42% say their average volunteer stays for three to five years. Only 9% of respondents have an average volunteer participation of more than ten years.

Table 20 shows that 36% of respondents report an increase in the number of volunteers, and 44.9% report significantly increased volunteer hours, in the last five years, although only 50 and 49 agency respondents respectively answered these two questions because of the inadvertent omission of the questions from the electronic survey form. Volunteer numbers and volunteer hours stayed about the same for 56.0% and 49.0% of respondent agencies respectively.

These findings for Halton nonprofit human service agencies over the last five years (2001 – 2006) are generally consistent with national and Ontario survey results for 2000-2003. In Ontario, 31% of NSNVO nonprofit organizations across all sectors reported an increase in volunteer numbers and 14% reported a decrease.³⁵ National survey results for the Social Services indicated that 34% of agencies experienced an increase in volunteer numbers, 49% maintained same levels and 17% had a decrease over the 2000-2003 period.³⁶ Compared to the national and Ontario results, a lower proportion (8%) of Halton nonprofit

³⁵ Scott et al. *The Nonprofit and Voluntary Sector in Ontario*, p. 33.

³⁶ Hall et al. *Caring Canadians, Involved Canadians* (2006), p. 35, Table 3.5.

human service agencies show a decrease in volunteer numbers. As well, with increased volunteer numbers, almost 45% of Halton survey respondents have had an increase in the number of volunteer hours given over the last five years as shown in Table 20.

Table 20: Change in Volunteer Numbers and Volunteer Hours in Last Five Years

Direction of Change	Number of Volunteers		No. of Volunteer Hours	
	No. of Respondents	% of Respondents	No. of Respondents	% of Respondents
Significantly Increased	18	36.0	22	44.9
Stayed About the Same	28	56.0	24	49.0
Significantly Decreased	4	8.0	3	6.1
TOTAL	50	100.0	49	100.0

4.2 Volunteer Profile

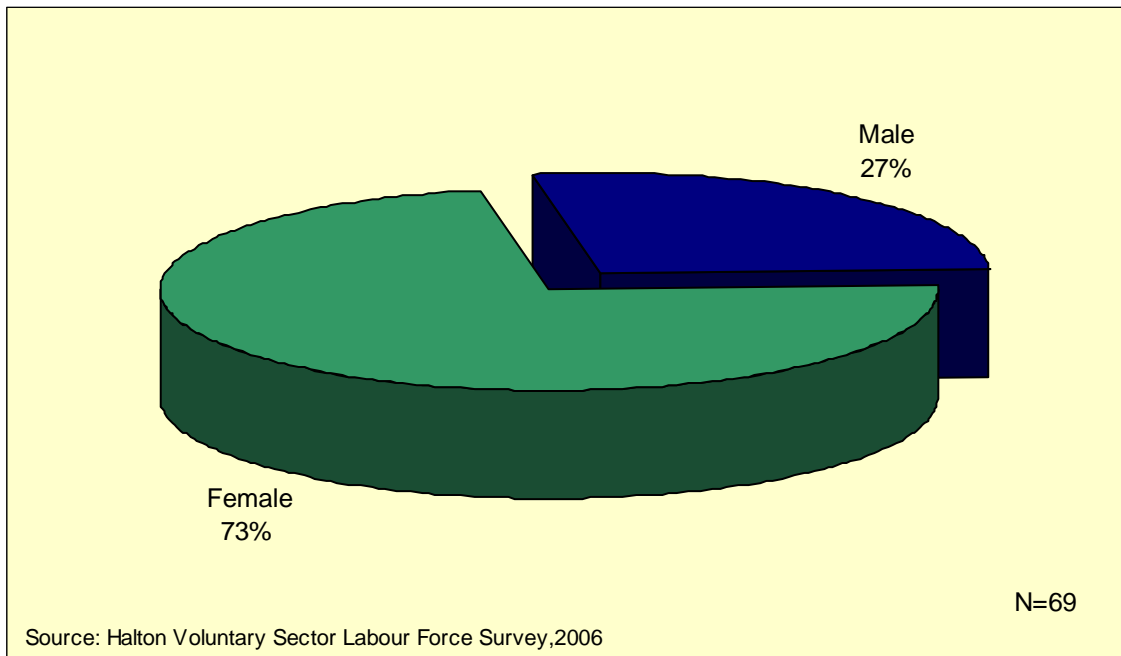
4.2.1 Gender

Similar to paid employees, the gender breakdown for volunteers reported by agency respondents is heavily dominated by women. Figure 26 shows that the volunteer base in Halton’s nonprofit human services is composed of 73% women and 27% men.³⁷

Investigating the agency response more closely, it appears that the distribution of men and women varies somewhat by the size of the volunteer base. Figure 27 indicates that a higher proportion of men are involved in agencies with up to ten volunteers (67.8%). Male involvement is still relatively strong (46.6%) among agency volunteer bases from 11 to 20. The level of male involvement falls off in the 21 to 50 volunteer range, recovers to almost equal female participation in the 51 to 200 range (49.2%), and then falls to below 5% in agencies with 200 or more total volunteers.

³⁷ As an important note, one agency indicated a gender identity of “transgendered” among its volunteer base, which was not offered as a choice in the survey but is important to note regarding broadening the range of gender identification choices in future surveys of this kind.

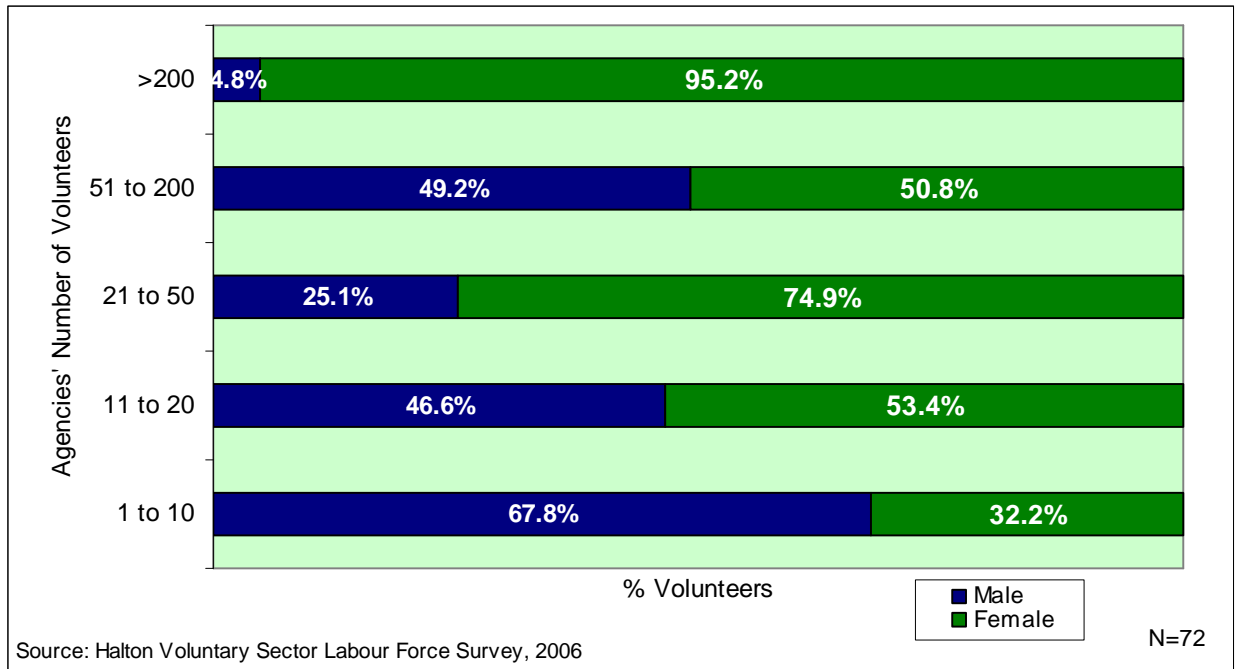
Figure 26: Gender Breakdown of Halton Agency Respondents' Volunteers



The proportion of women volunteers is strong (53.4%) in smaller agencies with between 11 and 50 volunteers and equal to male participation in medium and larger agencies with 51 to 200 volunteers (50.8%). For agencies with more than 200 volunteers, women constitute more than 19 of every 20 volunteers (95.2%) in agencies responding to the survey.

The preceding suggests that male volunteers in smaller agencies may be engaged more in governance activities, while women across agencies of all sizes may have governance roles, but are also likely to be performing more direct program delivery roles. Not shown in the Figure is that 10 agencies (14.4% of respondents) report *no* male volunteer involvement. All agencies responding to this question indicate some level of female volunteer participation.

Figure 27: Volunteer Gender Breakdown by Size of Halton Agency Respondents' Volunteer Base



4.2.2 Age

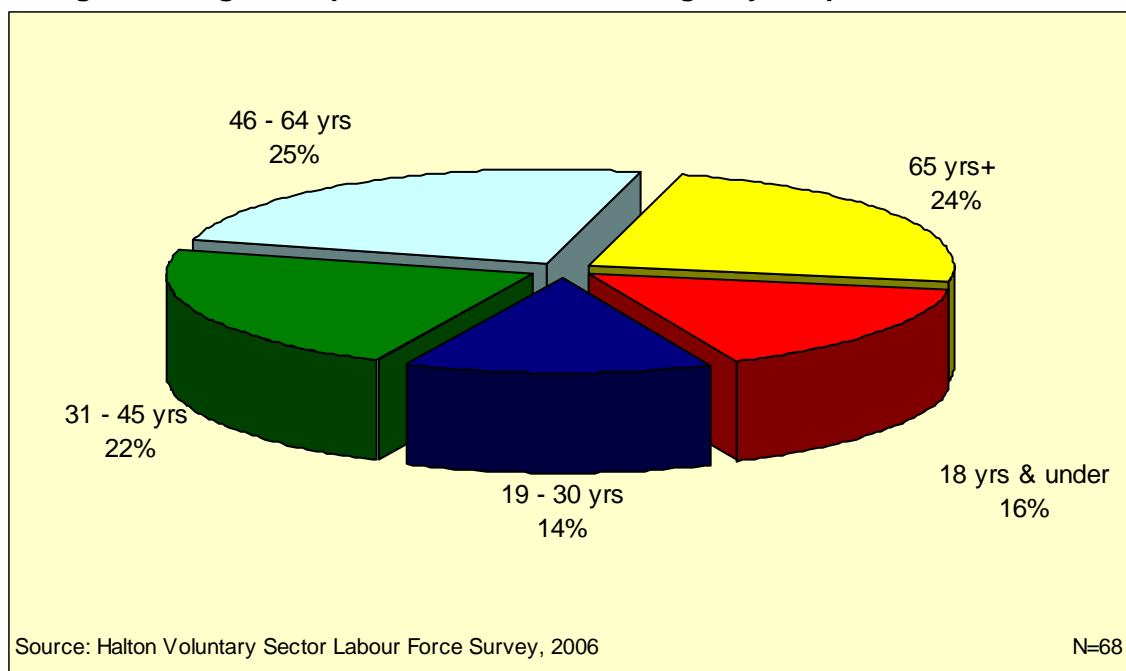
Sixty-eight of the survey responding agencies provided a breakdown of their volunteer bases by age groups. Figure 28 shows that across all respondents, almost half (48%) of the volunteer base is made up equally of people 46 to 64 years of age (24%) and people 65 years and older (24%). The next largest age group is volunteers in the 31 to 45 year category (22%) followed by volunteers 18 years and younger (16%) and people 19 to 30 years old (14%).

Compared to the age breakdown of the Halton population in the 2001 Census, there is a disproportionately high rate of volunteer participation among youth and seniors in the responding nonprofit human service agencies. Seniors make up 24% of the agencies' volunteer base, which is twice their representation in the overall population. This is not unexpected, given the interests of many retired people to remain active in community life.

Agencies also indicate, however, that 16% of their volunteer corps is 18 years old and under, whereas 15 to 19 year olds in Halton Region make up only 7% of the population as a whole. Similarly, 19 to 30 year olds make up 14% of the agencies' volunteer base, which is higher than the somewhat comparable 11% of the Halton population composed of those in the roughly comparable 20 to 29 year age group. These are encouraging signs with respect to younger people becoming engaged with the sector early in life. It is also

consistent with trends, seen in the *National Survey of Giving, Volunteering and Participating*, of higher rates of youth (15 to 24 year olds) participation in volunteer activity.³⁸

Figure 28: Age Group Breakdown of Halton Agency Respondent Volunteers



There are some interesting differences in the distribution of the age groups across agency respondents, however. Figure 29 indicates that youth (77.3%) and seniors (64.0%) are much more highly involved in agencies with larger volunteer bases of 100 or more. In fact, out of the 28 agencies reporting having youth volunteers, three of them account for the 669 youth volunteers that make up the 77.3% response and four of the 40 agencies reporting senior involvement engage 844 of the 65+ years old volunteers that make up the 64% response in Figure 29. Volunteers aged between 19 and 64 years old show a bit more balance across agencies with small, medium and larger volunteer bases, especially those in the 31 to 45 and the 46 to 64 year age groups.

³⁸ Hall et al. *Caring Canadians, Involved Canadians* (2006), p. 34, Table 2.2.

Figure 29: Volunteer Age Groups by Size of Agency Volunteer Base in Halton Agency Respondents

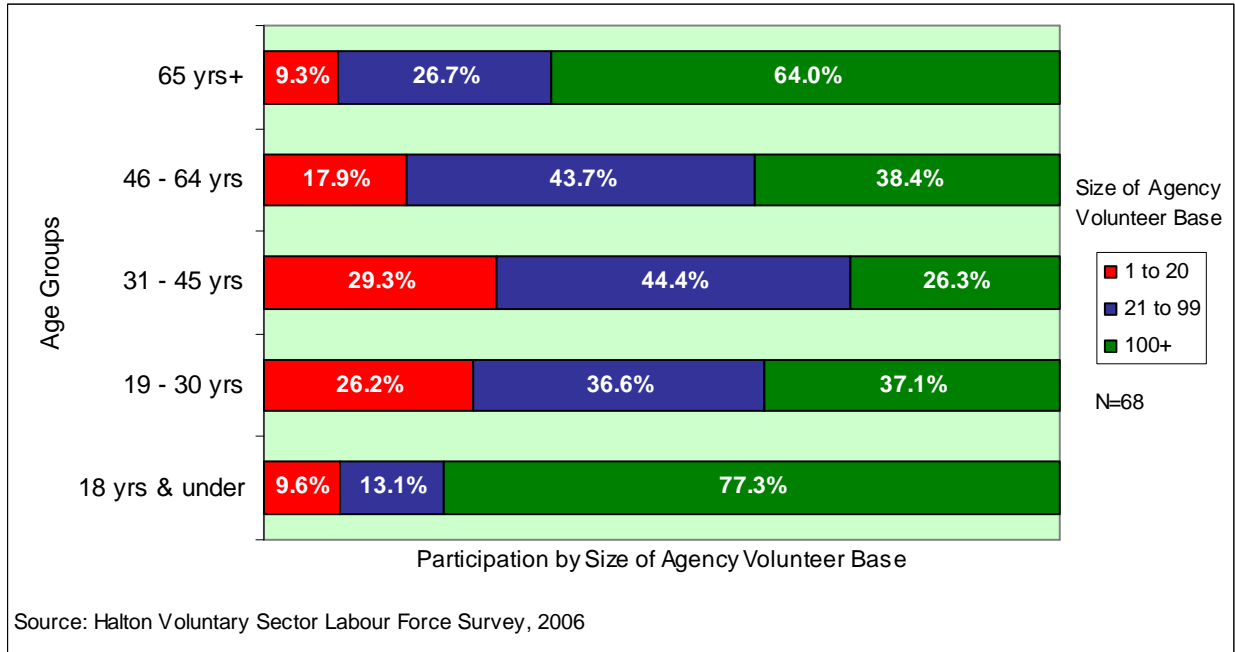
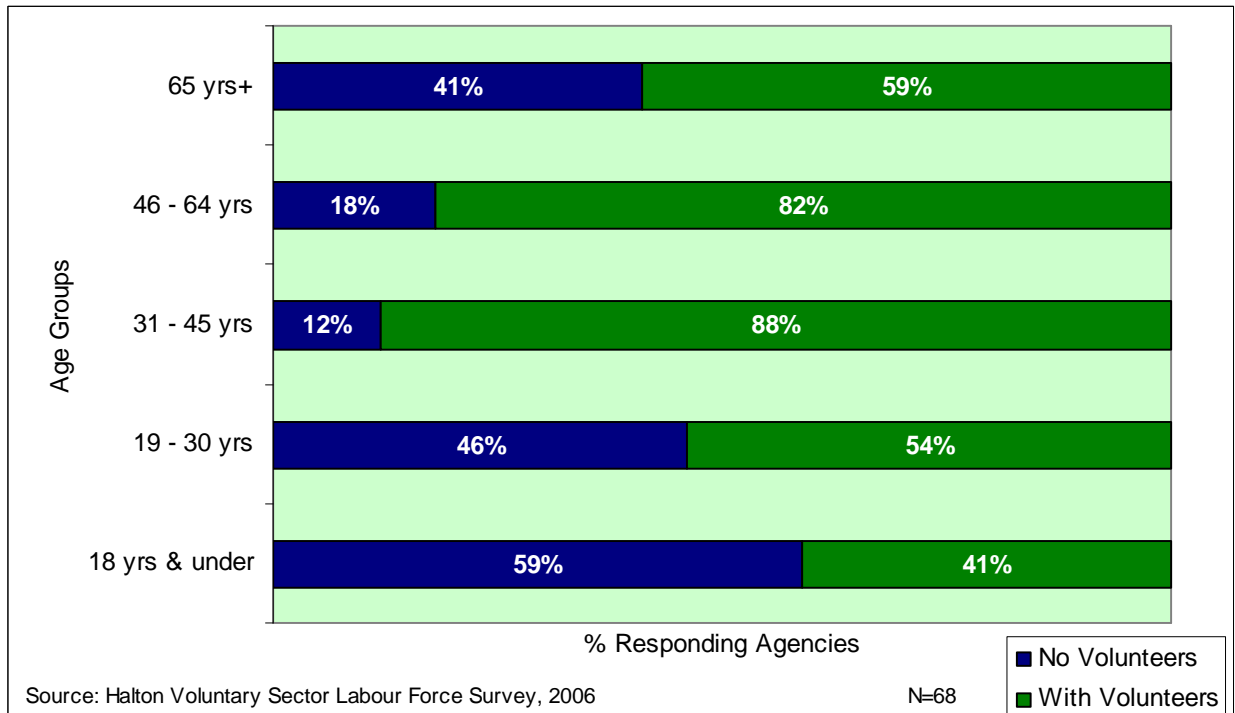


Figure 30: Halton Agency Respondents Volunteers by Age Groups



The proportion of agencies reporting no participation of certain age groups in their volunteer corps is of interest. Figure 30 indicates that agencies with no youth (59%) and early adult (46%) volunteers are the two most prominent groups in this regard. A much smaller proportion of agencies lack volunteers in their middle adult (12%) and late adult

years (18%). Although seniors have high volunteer numbers, they appear to be unevenly distributed across the agency base, as 41% of agencies say they have no volunteers 65 years and older.

4.2.3 Relationship to the Workforce

Figure 31 shows the agency response to a survey question about the relationship of their volunteers to the workforce. Retirement (34%) and full-time employment (24%) are the major workforce statuses for volunteers in agencies with smaller as well as larger volunteer bases. Figure 32 shows that students are much more heavily involved in agencies with larger volunteer bases (74.6%) with retirees following at 62.3% participation in larger agencies. For those who are employed, whether employment is full-time or part-time makes little difference to participation in agencies with different size volunteer bases. Unemployed people are much more highly engaged as volunteers in agencies with volunteer bases under 100.

Figure 31: Halton Respondents' Volunteer Relationship to Workforce

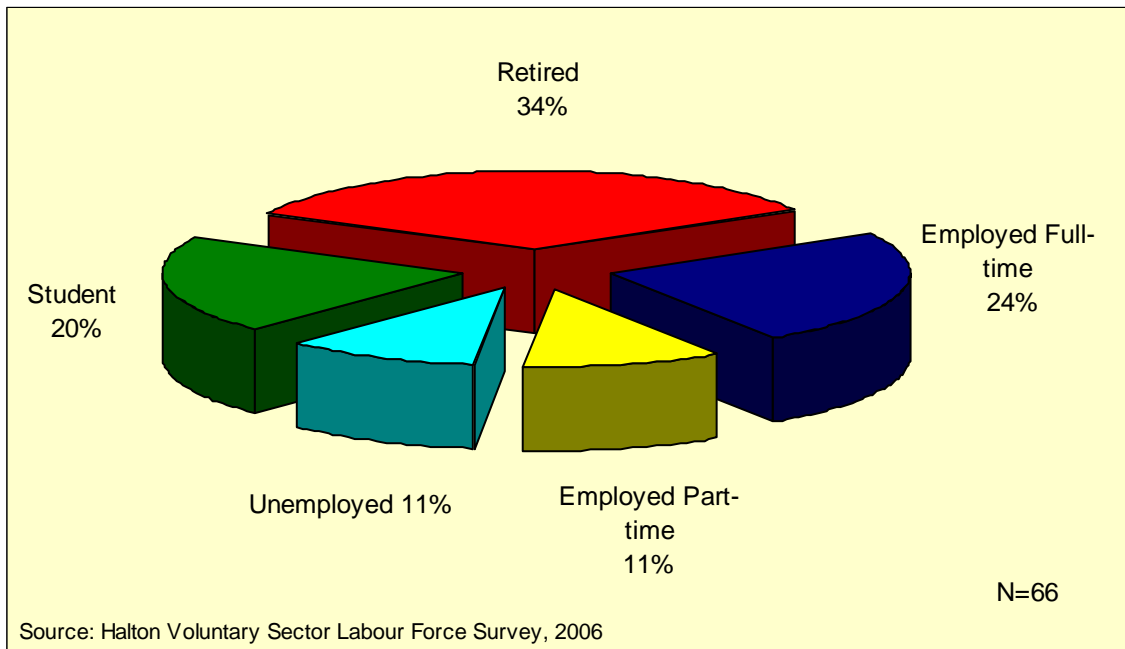
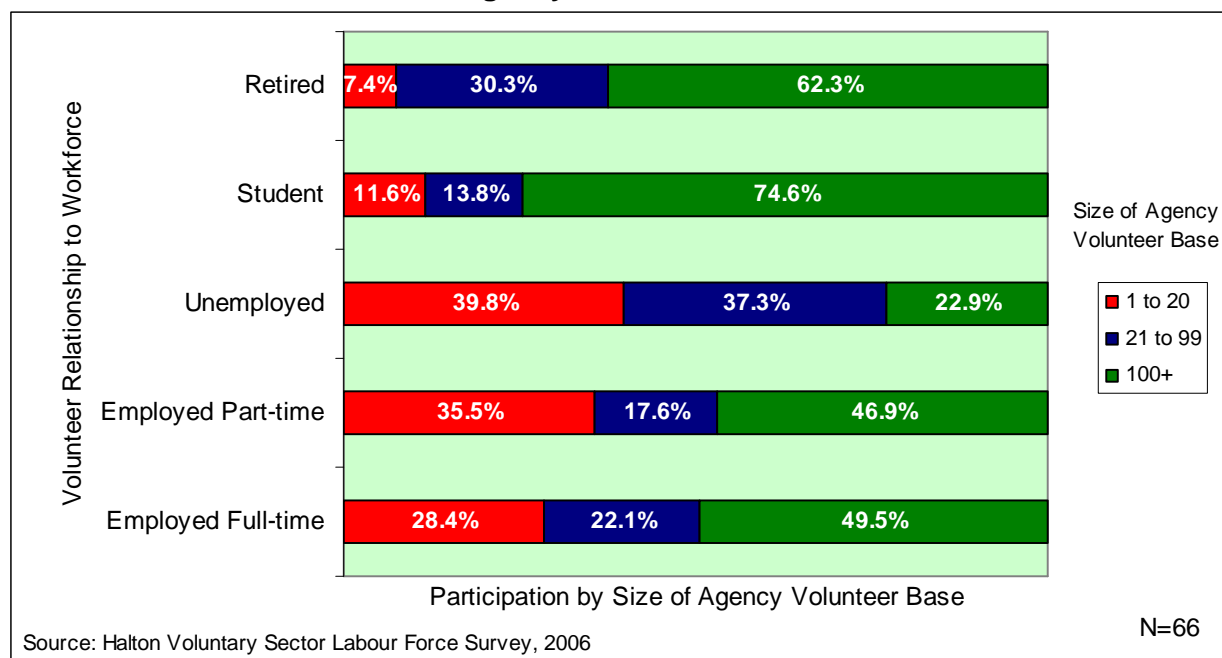


Figure 32: Halton Agency Respondents' Volunteers Relationship to Workforce by Size of Agency Volunteer Base



The survey also explored another indirect relationship of the responding agencies' volunteers to the workforce, specifically Ontario Works' clients in the Community Participation Program, secondary school community involvement time, co-op program and university/college student placements. The survey also asked about the use of community service order volunteers. It is important to note that there is a debate whether these are properly termed "volunteers", since participants are fulfilling mandatory conditions (e.g., community service as part of court ordered judgment) or program requirements (e.g., minimum time with an agency in the field to qualify for a course credit).³⁹ Nevertheless, participants in these programs become another element of the human resource base for nonprofit agencies and it is interesting to know what proportion of agencies use support from these sources.

Table 21 shows that agencies more frequently use "volunteer" participants from the secondary school community involvement and post-secondary school student placement programs. Just over half responding to this question use co-op program students and about a quarter of responding agencies use "volunteers" from each of community service court orders and in the Ontario Works Community Participation Program.

³⁹ Ibid., p. 42.

Table 21: Use of Government Program Participants & Placement Students by Agency Survey Respondents

Source of Program Participants	Agency Respondents	
	No. Agencies	% of Responding Agencies
School Community Involvement	52	75.4
College/University Student Placements	50	73.5
Co-op program Students	37	53.6
Community Service Court Orders	18	26.1
Ontario Works Community Part.	17	24.3

Survey respondents' comments about the use of students were mixed: some explaining that the supervision of students can take a lot of time and others stating that they have been very helpful to the agency's work. Several agencies see the use of students as a form of recruitment for ongoing volunteers and even potential future employees. One respondent feels that students bring a new perspective and set of skills to the agency's work saying:

“Students have provided important insights into our work with youth and have complemented our research capacity, often bringing updated skills and recent thinking found in the university setting.”

4.2.4 Diversity

Agency respondents were asked to identify the number of people from diverse community populations included in their volunteer bases. Table 22 offers an estimate of the volunteer numbers for ten population groups from the 61 to 67 agencies providing responses for the specific groups. Several observations can be made about these results:

- a) Seniors and middle to high income people are represented in higher numbers primarily because they are more frequently part of the volunteer base of agencies (involved in 45 and 49 agencies respectively). Seniors have more volunteer participation than do other groups in agencies with larger volunteer bases. Middle to high income people are active across the range from small to large agencies in more than three-quarters (78%) of agency respondents.
- b) Youth are the third largest group represented (619 volunteers), although identified as being involved by less than half the responding agencies (43%), which is consistent with Figure 30 showing 59% of agencies as having no youth volunteers.

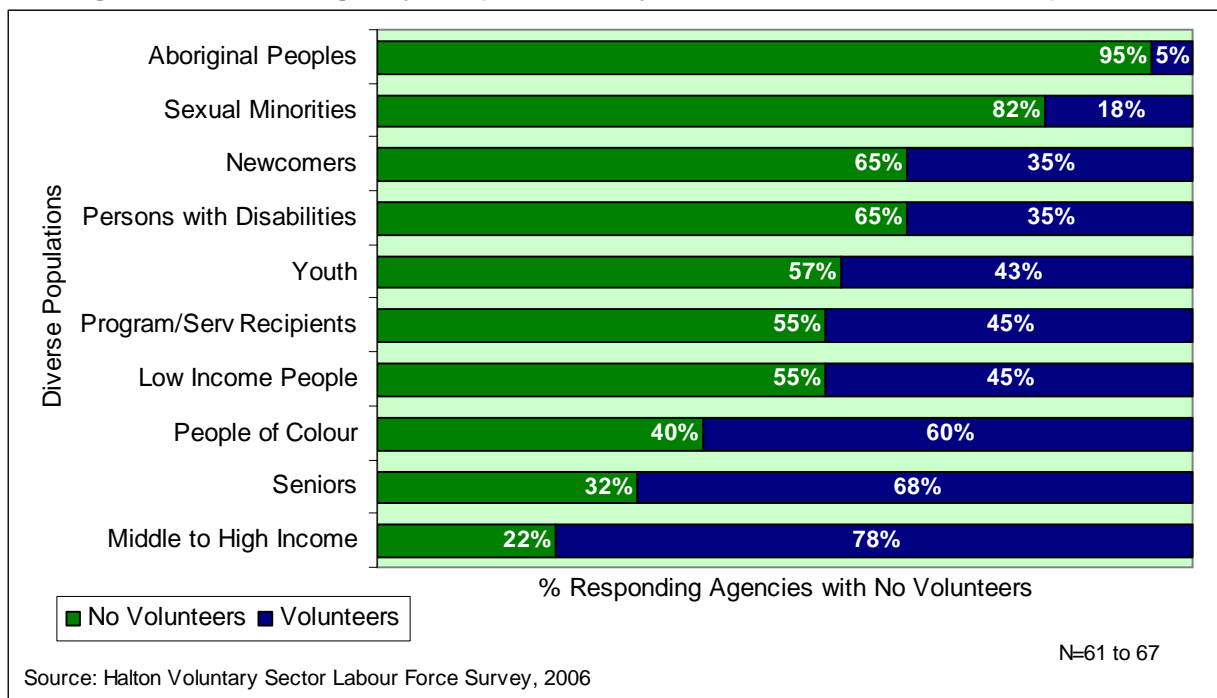
- c) People of colour have a good presence across the agency respondent group, being engaged by almost 60% of the reporting agencies, although they tend to be primarily involved in smaller numbers (the 1 to 10 range) in these agencies.
- d) Program service recipients and low income people share very similar numbers of volunteers and percentage of agencies in which they are included.
- e) Newcomers are reported at higher numbers of participation (308) than people of colour (221), but are involved in only about half as many agencies as are people of colour.
- f) Persons with disabilities are reflected in almost a third of the agency respondents, but at very low numbers.
- g) Agencies indicate that their volunteer bases do not reflect people from sexual minority groups or the Aboriginal community, either in total numbers or in presence within agencies.

Table 22: Estimated Numbers of Agency Volunteers by Diversity Groups

Diverse Population Groups	Estimated Number of Volunteers	Number of Agencies	Percent of Agency Respondents
Seniors	1,644	45	68%
Middle to High Income People	1,625	49	78%
Youth	619	28	43%
Program Service Recipients	545	29	45%
Low Income People	462	28	45%
Newcomers	308	22	35%
People of Colour	221	40	60%
Persons with Disabilities	97	23	35%
Sexual Minorities (LGBTQ)	70	11	18%
Aboriginal Peoples	3	3	5%

Reinforcing the low participation levels of volunteers from certain population groups among the responding agencies, Figure 33 is the graphic representation of Table 22, but also illustrates the percentage of agencies that actually report no volunteer involvement at all from these diverse groups.

Figure 33: Halton Agency Respondents by Volunteers from Diverse Populations



4.3 Supporting Volunteer Participation

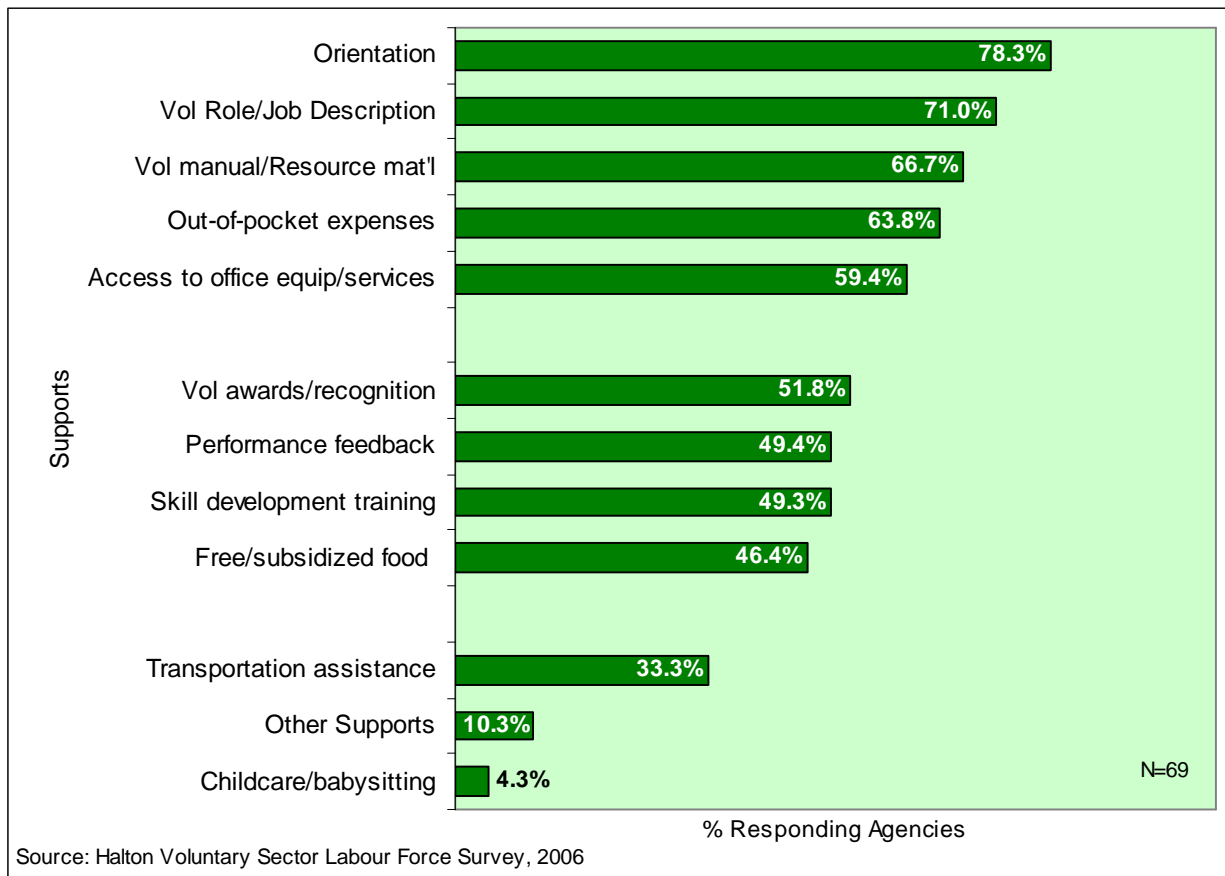
4.3.1 Staff Support

Of the 66 agencies replying to the question, only 20 report having a staff position designated for coordination, supervision or management of volunteers (30.3%). Of those 20 agencies, 11 indicate that the volunteer coordinator/manager position is full-time and nine that it is part-time. Fifteen (15) additional agencies (22.7%) state that there are “several staff” in their organizations that provide support to volunteers, combining in time for an average of 1.5 full-time equivalent staff positions.

4.3.2 Other Agency Supports to Volunteers

In terms of other volunteer supports provided by agency respondents, Figure 34 identifies a range of supports and the proportion of surveyed agencies that provide them to their volunteers.

Figure 34: Halton Agency Respondents' Supports to Volunteers



Two-thirds to more than three-quarters of agencies provide orientation, background information and role descriptions for their volunteers. About six in ten provide material support such as out-of-pocket expense coverage and use of office equipment and services. Only about half of the responding agencies have some form of reward/recognition or performance feedback for their volunteers or skills development training. Food for volunteers at meetings and events is covered by 46% of agencies, but more expensive costs such as transportation are provided by only a third of agencies and child care by less than 5%.

4.3.3 Barriers to Volunteer Recruitment and Retention

Although most survey respondents have increased their volunteer numbers in the last five years, they do encounter several major issues in recruiting and retaining volunteers. Table 23 summarizes the major barriers in this regard and offers a few examples of comments provided by agency respondents.

Table 23: Major Barriers to Volunteer Recruitment and Retention

Major Barriers to Volunteer Recruitment and Retention	Per Cent of Agency Respondents
<p>Lack of Organizational Capacity for Volunteer Management <i>“Before the volunteer coordinator position was implemented, it was hard to track volunteers.”</i> <i>“Training of volunteers is a challenge because our trainers are also volunteers themselves.”</i> <i>“The agency does not have the money to pay staff to be responsible for volunteers Volunteers position staff needed.”</i></p>	38%
<p>Difficulty Attracting Volunteers <i>“Over the last five years, funding and activity . . . have declined and the organization has had to scale back the number and quality of events This makes the organization less attractive to volunteers.”</i> <i>“Agency not well known in the community.”</i> <i>“Lack of awareness regarding our agency.”</i></p>	27%
<p>Constraints on Volunteer Participation <i>“Location of office and lack of accessibility of our office (transportation) and also having an accessible building.”</i> <i>“Fear of legal and financial ramifications [of volunteering].”</i> <i>“The erratic vacation schedules of retirees, with which we are flexible, leave some feeling their contribution is not significant, no matter how often their assistance is recognized.”</i></p>	27%
<p>Time Demands and Pressures of Modern Life <i>“More families require parents to work full-time and are unable to volunteer.”</i> <i>“People’s lives are so busy due to dual income households, as well as child care and commitments to family.”</i> <i>“Family stresses, illnesses, divorce, etc.”</i></p>	24%
<p>Problems Finding Potential Volunteers <i>“Lack of interest in what we have to offer – not many apply or even inquire.”</i> <i>“High level of competition as many agencies are in need of volunteers.”</i> <i>“The stigma of [disability of client group cited] as well as the competition from other organizations to recruit volunteers.”</i></p>	17%

Inadequate operational capacity to manage volunteers is the barrier most frequently identified (38%) by agency respondents. This is primarily an issue of lack of resources to dedicate staff to volunteer coordination and management roles.

Inability to attract volunteers and constraints on volunteer participation are each identified as barriers by more than a quarter of agency respondents. The first has to do with lack of awareness about the agency or lack of resources to promote the work of the agency to potential volunteers. Constraints on volunteer activity include inadequate or unsuitable community space and facilities for volunteer use; program or activity hours of operation unsuitable to volunteer schedules; transportation barriers to volunteer involvement in agency activities, etc.

Almost a quarter of respondents also indicate that the pace and demands of modern day living presents challenges for agencies to recruit and retain volunteers. There are many

more demands on community members' time from family, work (two-earner families) and other personal and community interests, with which human service agencies must now compete. This is related to the problem of finding good sources of volunteers, which 17% of agencies say is another major barrier.

5. Recognizing the Economic Contribution of the Nonprofit Sector

A recent report on the state of Halton Region's economy comments:

The role of the non-profit sector in the economy as a whole is not well measured by economic statistics. Many of those who work in the sector do so on a voluntary basis and therefore are not identified as employees. As well, because their efforts do not generate income their contribution to GDP is largely invisible.⁴⁰

There is a growing realization, however, of the nonprofit sector's significant contribution to the economy as well as improving the quality of life.

In the last few years, national research has started to measure the economic dimensions of the nonprofit sector and to create economic accounts for the sector that will track its role and economic contribution over time. These approaches not only attempt to identify the economic value of paid employment and other expenditures in the sector but also to measure the economic contribution of volunteers through their use of time in the work of nonprofit organizations.

5.1 National Research on the Nonprofit Sector's Economic Contribution

Preliminary Canadian research, using workplace data and information on charitable organizations, indicates that more than 900,000 employees work in 58,000 nonprofit workplaces of which about 73% are small work settings employing less than 10 people. This proportion of employees in smaller workplaces is almost equivalent to the proportion of employment for small business workplaces in the private sector.⁴¹

Hall and Macpherson in their study, *A Provincial Portrait of Canada's Charities*, estimated in the late 1990s that the annual payroll expenditures of the nonprofit sector, excluding hospitals, universities and colleges, was more than \$20 billion and that the total value of assets in the voluntary sector was between \$44 and \$78 billion.⁴² The economic scale of the sector began to be appreciated from these first research explorations.

⁴⁰ Hemson Consulting Ltd. *State of Halton's Economy Report (Phase I and Phase II)*. Draft prepared for Halton Region, (2006), p. 22.

⁴¹ Kathryn McMullen and Grant Schellenberg. *Job Quality in Nonprofit Organizations*. No. 2 (Ottawa: CPRN Research Series on Human Resources in the Nonprofit Sector, January 2003).

⁴² Michael Hall and Laura Macpherson. *A Provincial Portrait of Canada's Charities*. Research Bulletin, 2 (5). (Toronto: Canadian Centre for Philanthropy, 1997).

In recent years, Statistics Canada has started to measure the contribution of the voluntary sector to Canada's Gross Domestic Product (GDP).⁴³ Three studies create a picture of the nonprofit sector's status within the national accounts. Called the *Satellite Account of Nonprofit Institutions and Volunteering* (2004, 2005, and 2006), these reports use administrative tax file data to develop estimates of the economic activity of the sector for the 1997 to 2003 period.

The *Satellite Account* estimates indicate that the nonprofit sector's GDP grew from \$65.0 billion in 1998 to \$80.3 billion in 2003, with an annual average growth rate of +6.4%, faster than that of the overall growth rate of the Canadian economy for the same period (+5.6%). The entire nonprofit sector makes up 7.1% of the overall economy, a higher share than the Mining, oil and gas industry (\$73 billion, which is 6.5% of the Canadian economy) and the Retail trade industry (\$61 billion, 5.4%) in Canada.⁴⁴

In economic terms, the value-added of the nonprofit sector is enhanced by the volunteer contribution brought to the work of the sector. The *National Survey of Giving, Volunteering and Participating* reports that 11.8 million Canadian volunteers contributed almost two billion hours annually in 2004, which is equivalent to more than one million full-time jobs.⁴⁵

The *Satellite Account of Nonprofit Institutions and Volunteering* also calculates the "extended value of labour compensation" produced from volunteer activity supported by the nonprofit sector. It estimates that volunteer activity produced an additional \$14 billion in GDP for the sector as a whole in 2000, thus extending the sector's total GDP from \$65.1 billion to \$79.1 billion in 2000, an increase of 21.5% as a result of volunteer contributions.⁴⁶

5.2 The National Core Nonprofit Sector

When hospitals, colleges and universities (the institutional nonprofit sector) are removed from the GDP totals for the overall nonprofit sector, the *Satellite Account of Nonprofit Institutions and Volunteering* designates the remaining organizations as the "core nonprofit

⁴³ Gross Domestic Product (GDP) is "[t]he total unduplicated value of goods and services produced during a given period. For the economy as a whole, GDP refers to all goods and services produced in Canada's economic territory. For the nonprofit sector specifically, it refers to the sector's contribution to Canada's GDP, and is measured as its gross output less its intermediate purchases. Also referred to as value-added." From Statistics Canada. *Satellite Account of Nonprofit Institutions and Volunteering, 1997-2001*. (Ottawa: Minister of Industry, 2005), p. 47.

⁴⁴ Statistics Canada. *Satellite Account of Nonprofit Institutions and Volunteering, 1997-2003*. (Ottawa: Minister of Industry, 2006), p. 12.

⁴⁵ Hall et al. *Caring Canadians, Involved Canadians* (2006). pp. 31-32.

⁴⁶ Statistics Canada. *Satellite Account of Nonprofit Institutions and Volunteering, 1997-2001*. (Ottawa: Minister of Industry, 2005), p. 8. The imputed economic value of volunteer time is available only for 1997 and 2000, since the data was not available for 2003 according to Statistics Canada. *Satellite Account of Nonprofit Institutions and Volunteering, 1997-2003*. (Ottawa: Minister of Industry, 2006), p. 12. For this reason, the remainder of the discussion of the nonprofit sector's contribution to national GDP will use the *Satellite Account* report in 2005 for the 1997 to 2001 period.

sector.”⁴⁷ The core nonprofit sector’s GDP amounts to \$25.4 billion in 2000, which was still 2.5% of the overall Canadian economy. In 2000, the core nonprofit sector’s share of GDP was higher than either Agriculture (\$14.5 billion, 1.5%) or Motor vehicle manufacturing industries (\$13.5 billion, 1.4%) and about equivalent to the Canadian Accommodation and food services industry (\$23.4 billion, 2.4%).⁴⁸

Interestingly enough, the core nonprofit sector accounts for more of the overall nonprofit sector’s GDP growth between 1997 and 2001 than hospitals, colleges and universities combined. The core nonprofit sector grew by 10.2% during that four year period compared to a 5.4% growth rate for the institutional nonprofit sector.⁴⁹

Of particular interest to this study, the social services component accounts for almost one quarter (23.5%) of the core nonprofit sector’s GDP between 1997 and 2001. Social services averaged a 10% annual growth rate over the period, second only to education and research. GDP for social service organizations grew from \$4 billion in 1997 to \$6 billion in 2001, a 50% increase.⁵⁰ This may reflect the increasing reliance on the nonprofit social services sector to pick up on service demand offloaded by governments in the 1990s.

The *Satellite Account* reports payroll expenditures of \$19.8 billion in 2001 for the core nonprofit sector, which is 78% of its GDP. These payroll expenditures have increased from \$14.7 billion in 1997, a 35% increase.⁵¹

Revenue growth for the core nonprofit sector is also high, averaging 7.5% annually between 1997 and 2001. Significantly, most of this revenue growth comes from sales of goods and services (40%), rather than government transfers and has been supplemented with income from donations, memberships, and other sources.⁵² The 2005 *Satellite Account* notes: “Social service organizations, which led the [core nonprofit] group in terms of value-added, receives a lesser share of total income and ranks only second in terms of revenue.”⁵³ This suggests that the social services nonprofit sector is highly productive and

⁴⁷ Statistics Canada. *Satellite Account of Nonprofit Institutions and Volunteering, 1997-2001*. (Ottawa: Minister of Industry, 2005), p. 7.

⁴⁸ *Ibid.*, p. 10.

⁴⁹ *Ibid.*, p. 7.

⁵⁰ *Ibid.*, p. 13.

⁵¹ *Ibid.*, p. 22.

⁵² *Ibid.*, p. 16. Lynn Eakin’s case study research of ten nonprofit human service agencies in Toronto shows that as government income has shifted from transfers to purchase of service and project funding, nonprofit agencies are actually forced to subsidize the infrastructure costs (e.g., employee benefits, supervision, administration) of government funded programs from other revenue sources such as sales of goods and services, donations, membership fees, etc. See Lynn Eakin. *Community Capacity Draining: The Impact of Current Funding Practices on Non-profit Community Organizations*. (Toronto: Community Social Planning Council of Toronto, 2004).

⁵³ Statistics Canada. *Satellite Account of Nonprofit Institutions and Volunteering, 1997-2001*. (Ottawa: Minister of Industry, 2005), p. 18.

economically efficient, and probably under-resourced for the social and economic benefits that it produces.⁵⁴

The core nonprofit sector also accounts for most of the contribution to GDP from the extended value of volunteer time and energies. More than 86% of the overall nonprofit sector's extended value is generated by the core nonprofit sector (\$12.1 billion in 2000). Volunteer contributions increased the core nonprofit sector's share of the overall Canadian economy from 2.3% to 3.5% in 2000. For the whole sector, culture and recreation (\$3.6 billion of volunteer effort) and social services (\$2.9 billion) are the largest contributors to the "extended value of labour compensation" component of the nonprofit sector's GDP.⁵⁵ The *Satellite Account* concludes for 2001 that "[t]he replacement cost of volunteer work accounted for 34.3% of its activity."⁵⁶

5.3 Economic Contribution of the Halton Nonprofit Human Services Sector

This section provides calculations and projections of the findings of the Halton Nonprofit and Voluntary Sector Labour Force Study survey in terms of the contribution of the nonprofit human services sector to the larger economy of Halton.

The survey results confirm the diversity even within the human services sector, especially with respect to the mix of small, medium and large agencies. As a result, the calculations and projections can vary depending on the assumptions made about how representative the variables are of the sector as a whole. For this reason, although different assumptions produced both lower and higher results, the following reports low to high estimates of the economic contribution of the sector to Halton. Reality likely follows within this range.

5.3.1 Economic Contribution of Paid Employment

The 81 responding agencies report a total of 2,414 employees. As responding agencies represent about one-third (33.6%) of the total eligible nonprofit human service agency population in the region, the projected total employee base in the nonprofit human services in Halton Region could be in the range of more than 7,000. Some agency respondents (11%), however, are based outside Halton and report employees serving in Halton and in other parts of the GTA. Therefore, to estimate the total employee base, it was decided to double, rather than triple, the actual employee count from the survey response, yielding a more conservative figure of 4,800 employees, which is used in the following calculations and projections for the total nonprofit human services sector in the region.

⁵⁴ Eakin's research suggests that these are partly false efficiencies in that governments are not funding their programs at the full cost to nonprofit agencies delivering them. Eakin questions the long-term sustainability of this "draining of community capacity" in the sector.

⁵⁵ Statistics Canada. *Satellite Account of Nonprofit Institutions and Volunteering, 1997-2001*. (Ottawa: Minister of Industry, 2005), p. 9.

⁵⁶ *Ibid.*, p. 9. Section 5.4 raises some cautions about the nature of volunteer work as replacement labour cost.

The State of Halton's Economy says that the total level of employment in Halton Region in 2001 was 204,600 jobs. The projected nonprofit human services workforce of 4,800 in Halton in 2006 would be 2.3% of the total Halton workforce as reported in 2001. At this level of employment, Halton's nonprofit human services compare in scale to workforce numbers for Utilities, the Arts, entertainment and recreation, and Real estate and rental housing, all industries with 5,000 employees or less in 2001.⁵⁷

In positioning the nonprofit human services sector's labour force in relation to other industries, it is important to remember that nonprofit human services make up about 11% of the total nonprofit sector. Therefore, other parts of the larger nonprofit sector including recreation, arts and culture and other areas would add significantly to the overall nonprofit sector's share of employment in the region.⁵⁸

Table 24: Gross Domestic Product (GDP) of Halton Agency Respondents and Estimated GDP for Whole Nonprofit Human Services Sector in Halton

Production Account	Halton Agency Respondents	Estimated for Halton Nonprofit Human Services Sector	% of Halton HS Gross Output
Gross Output	\$130,549,930	\$280,668,430	100.0
Less Intermediate Purchases ⁵⁹	42,306,961	92,778,549	33.1
Purchased Goods & Services	28,699,916	61,576,449	
Occupancy Costs	8,422,900	18,901,382	
Office Expenses	4,318,295	10,574,739	
Professional Fees (e.g., accounting, legal)	865,850	1,725,979	
Gross Domestic Product	\$88,242,970	\$187,889,859	66.9
Wages, Salaries & Benefits	80,681,806	170,240,760	
Supplementary Labour Income (Contracts)	1,376,271	3,440,678	
Capital Cost Allowances (Depreciation)	2,518,986	5,043,654	
Operating Surplus	3,665,907	9,164,767	

⁵⁷ Hemson Consulting Ltd. *State of Halton's Economy Report (Phase I and Phase II)*. Draft prepared for Halton Region, (2006), pp. 15-18.

⁵⁸ National data indicate that the entire core nonprofit sector“ provides 10 percent of non-agricultural employment. The entire nonprofit and voluntary sector engages nearly as many full-time equivalent workers as all branches of manufacturing in the country.” See Hall et al., *The Canadian Nonprofit and Voluntary Sector in Comparative Perspective*. (Ottawa: Imagine Canada in conjunction with Johns Hopkins University, 2005), p. iv.

⁵⁹ Intermediate purchases are expenditures made in the course of doing the work of the agency and are counted as GDP by those who supply the goods and services purchased rather than by the nonprofit organizations, thus avoiding duplication or double-counting in GDP calculations.

Paid employment is the major component of GDP in the nonprofit sector. Using the methodology employed in the *Satellite Account*, Table 24 shows the contribution to Halton's GDP of the Halton agency survey respondents based on their actual financial expenditures in 2004. Based on the total gross expenditures (\$130.5 million) of the agency respondents, the "value-added" primarily from paid labour compensation to the Halton economy is more than \$88 million. This is the GDP of the agency respondents.

To extrapolate from this survey data to make projections for the whole nonprofit human services sector in Halton, certain adjustments are employed. First, although one-third of agencies responded to the survey, simply multiplying the combined GDP of survey respondents by three to estimate the GDP for the whole nonprofit human services sector in the region would provide a distorted result. One very large agency reports labour compensation twice that of the next largest set of agencies and it is not evident that there is any other nonprofit human service agency of the same scale in Halton.

Secondly, as indicated in Table 24 and explained in the accompanying text, Halton survey respondents under-represent by about 25% agencies with no employees. Given these adjustments, the estimate of the intermediate purchases and GDP and their respective components were created by:

- (a) Removing the amounts for the large agency outlier from the components of intermediate purchases and GDP in the Halton agency response;
- (b) Multiplying the amounts remaining for each component by two to reflect the two-thirds of the eligible agency population that did not respond to the survey;
- (c) Discounting the results of (b) by 25% to reflect the under-representation of agencies with no employees in the Halton survey response and, thus, agencies that would make no significant contribution to GDP in terms of labour compensation; and
- (d) Adding the results of the previous three steps to the Halton agency response figures.

Based on the Halton survey sample results, the estimated Gross Output of the whole nonprofit human services sector in Halton is \$280.6 million, which, after deducting intermediate purchases, yields a sector GDP of \$187.9 million. This constitutes 1.1% of Halton's overall GDP, estimated by *The State of Halton's Economy* at \$16.4 billion in 2003.⁶⁰

5.3.2 Extended Economic Value of Halton's Volunteer Contribution

Section 4 of this research report states that the agency survey respondents have a combined volunteer base of 6,730 people and that volunteers donate 130 hours per year on average. This information can be used to calculate an estimate of the economic contribution of volunteers to the Halton economy, i.e., their share of Halton's GDP for the nonprofit human services sector.

⁶⁰ Hemson Consulting Ltd. *State of Halton's Economy Report*, p. 17.

For these estimates a low to high range will be calculated and used. Although the average amount of time contributed is 130 hours per year, national survey results show a very wide range when it comes to volunteer time given. Some people give a lot, and some less.⁶¹ Therefore, the median number of hours per volunteer given annually in Halton (82.2 hours) will also be used to make estimates in order to provide a low to high range within which reality probably falls.

Table 25: Calculation of Economic Value of Volunteer Time to Halton Agency Respondents and Projected Estimate for Halton’s Nonprofit Human Services Sector

Factors for Calculating Estimates	Low Range	High Range
Total Number of Volunteers	6,730	6,730
Hours per Year/Volunteer	Median: 82.2	Average: 130
Total Volunteer Hours/Year	553,206	874,900
Full-Time Equivalent Jobs among Agency Respondents ⁶²	288 FTEs	456 FTEs
Projected to Whole Nonprofit HS Sector ⁶³	950 FTEs	1,505 FTEs
Economic Value at \$35,000 Annual Employment Income (median annual income of agency respondents - \$16.83/hour)	\$33,250,000	\$52,675,000
Economic Value at \$46,200 Annual Employment Income (average annual employment income for Halton, 2000 StatsCan Census - \$23.38/hour)	\$43,890,000	\$69,531,000
Estimated Under-valuation of Volunteer Time	(\$10,640,000)	(\$16,856,000)

Table 25 shows that, based on data provided in the Halton survey, the total volunteer time estimated for the whole nonprofit human services sector in Halton can be converted to equal between 950 and 1,505 Full-Time Equivalent (FTE) jobs. When assigned a monetary value using the median annual employment salary/wage levels from the Halton survey results (\$30-\$40,000), it is estimated that the economic value of volunteer time in the sector ranges between \$33.2 and \$52.7 million. Added to the GDP from paid labour compensation (Table 24) of \$187.9 million, the volunteer contribution would extend the overall estimated GDP of the sector to between \$221.1 and \$240.6 million.

Thus, factoring in volunteer time “extends the value” of the sector’s GDP by between 17.8% and 28.3%. The portion of the total extended value of GDP attributable to the economic

⁶¹ Hall et al. *Caring Canadians, Involved Canadians* (2006), p. 32, Figure 2.1.

⁶² The *National Survey of Giving Volunteering and Participating* formula for converting volunteer time into FTEs is used, which is 40 hours per week for 48 weeks. See Hall et al. *Caring Canadians, Involved Canadians* (2006) p. 32, Table 2.1.

⁶³ Seventy (70) agencies provided detailed information on their volunteer numbers, which is almost 30% of the total eligible nonprofit human service agencies in Halton Region. Therefore, the estimate of the total FTEs for volunteer numbers for the whole region in Table 25 is calculated as a multiple of 3.3 of the agency response numbers (for each of the median and average hours calculations).

contribution of volunteer time in Halton is between 15.1% and 22%.⁶⁴ The extended economic value of volunteer time also raises the estimated share of Halton's GDP for the nonprofit human services sector to between 1.3% and 1.5%.

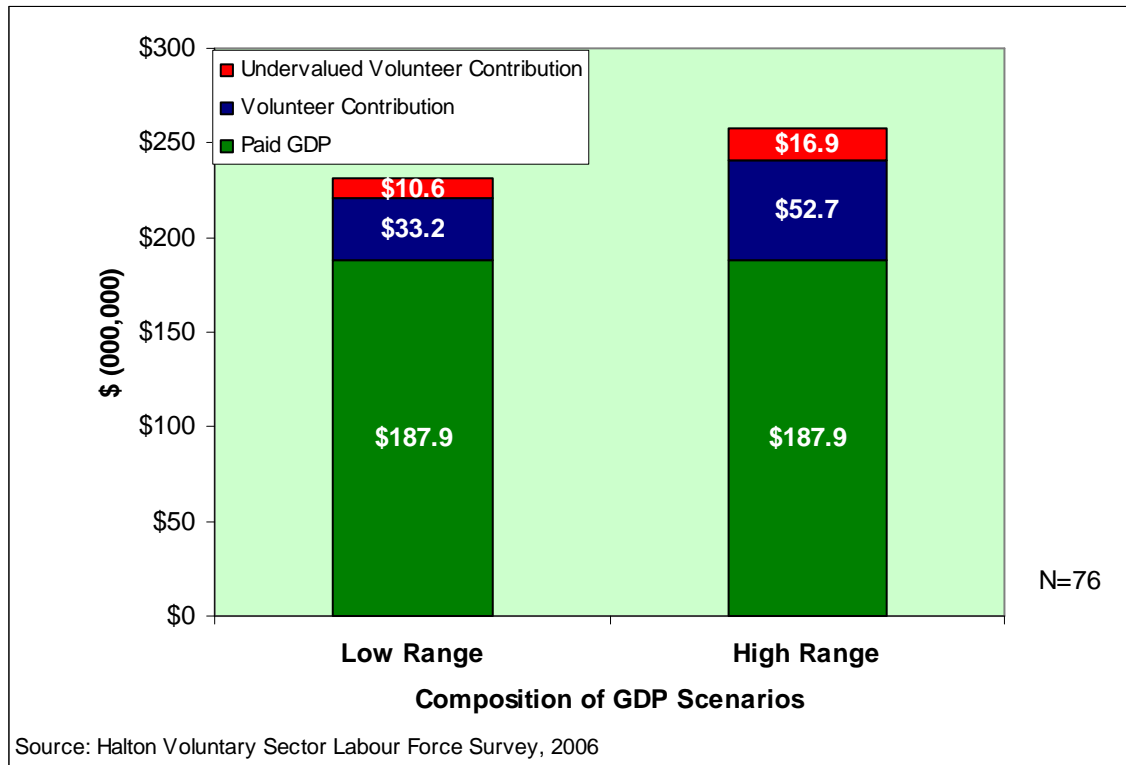
As discussed in the next section of this report, work in the nonprofit sector is under-valued and salaries/wages are generally lower than average. Therefore, Table 25 also indicates the level of undervaluing of this volunteer time, by comparing the median salary/wage reported by agency respondents to the 2001 Census data for average annual employment income in Halton (\$46,200 in 2000). The result is an estimated undervaluation of the economic contribution of volunteer time in Halton of between \$10.6 million and \$16.8 million.

Figure 35 portrays these values for the components of GDP made up of paid compensation and volunteer contribution. It also shows the difference when the undervaluation of volunteer time is included.⁶⁵

⁶⁴ The *Satellite Account* reports that the value of economic volunteer time contributed 34.3% to the national GDP of the core nonprofit sector in 2000. See Statistics Canada. *Satellite Account of Nonprofit Institutions and Volunteering, 1997-2001*, p. 9. The core nonprofit sector includes nonprofit human services but also other sub-sectors with high volunteer use such as sports and recreation, arts and culture, religious organizations, etc.

⁶⁵ Undervaluation could also be portrayed for the paid compensation time in the sector, but this part of the GDP is based on actual payroll expenditures at current basic pay levels, while the calculation of the economic value of volunteer time is imputed.

Figure 35: Low Range and High Range Compositions of GDP Estimated for Halton Nonprofit Human Services Agency Sector

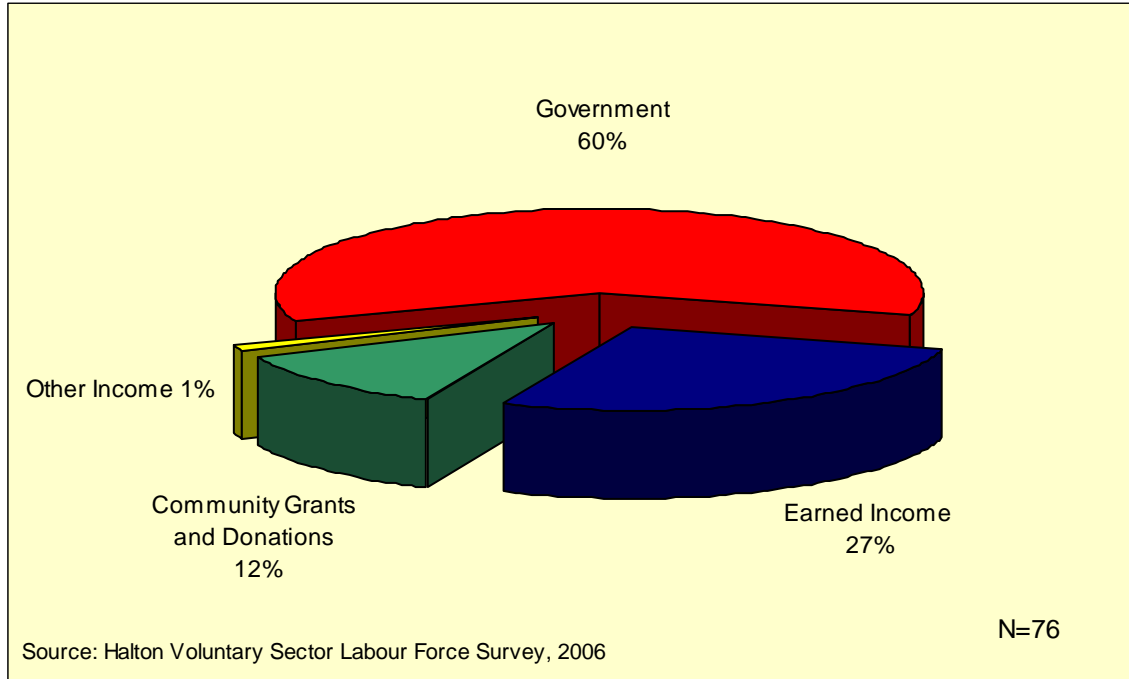


The economic value of volunteer time is calculated on the basis of a “*replacement cost for labour*.”⁶⁶ It also, however, acts as another imputed source of revenue or income for agencies, as it is contributed to an agency’s activities by individuals. Economically, then, the economic value of volunteer time is equivalent to a “transfer from households” in the community. As a result, volunteer time both adds to the overall income of the sector and also increases the share of “donations from individuals” in relation to other sources of income for the sector.

Figure 36 reproduces Figure 5 in showing the income breakdown for Halton agency respondents from financial sources. In terms of actual money transfers to the sector, Community Grants and Donations from individuals, corporations and community granting bodies constitute 12% of total income, ranking third behind Government funding (60%) and Earned Income (27%) from sales of goods and services.

⁶⁶ Hall et al. *The Canadian Nonprofit and Voluntary Sector in Comparative Perspective*. (Toronto: Imagine Canada in conjunction with Johns Hopkins University, Baltimore, Md., 2005b), p. 8.

Figure 36: Major Sources of Financial Revenue of Halton Agency Respondents



Figures 37 and 38 show the impact on the surveyed agencies' income breakdown of adding the imputed economic value of volunteer time to Community Grants and Donations at the low-range and high-range values respectively, increasing total income from \$130.5 million to between \$143.8 and \$151.5 million in 2004.⁶⁷ More significantly, for the surveyed agencies, the share of Community Grants and Donations from adding in the low and high range economic values for volunteer time increases from 12% to between 20% and 24% of total income, reducing the share of Government income from 60% down to 54% at the low range and 52% at the high range. Notably, the share of income from the community sources even surpasses Earned Income (23%) at the high range when the value of volunteer time is added. The economic significance of volunteer time is clearly evident from this perspective.

⁶⁷ The full value of volunteer time at the Halton average annual income for 2000 (\$46,200) is used in these figures, rather than the under-valued agency survey median salary/wage for paid workers (\$30-40,000).

Figure 37: Major Sources of All Income of Halton Agency Respondents Including Low Range Economic Value of Volunteer Time

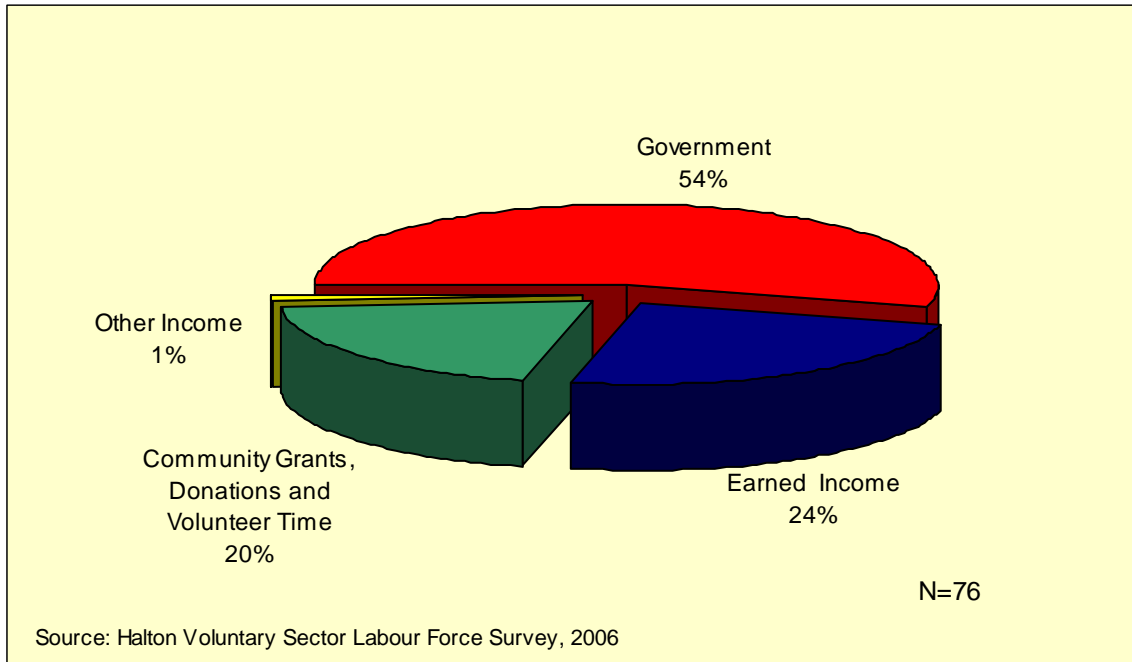
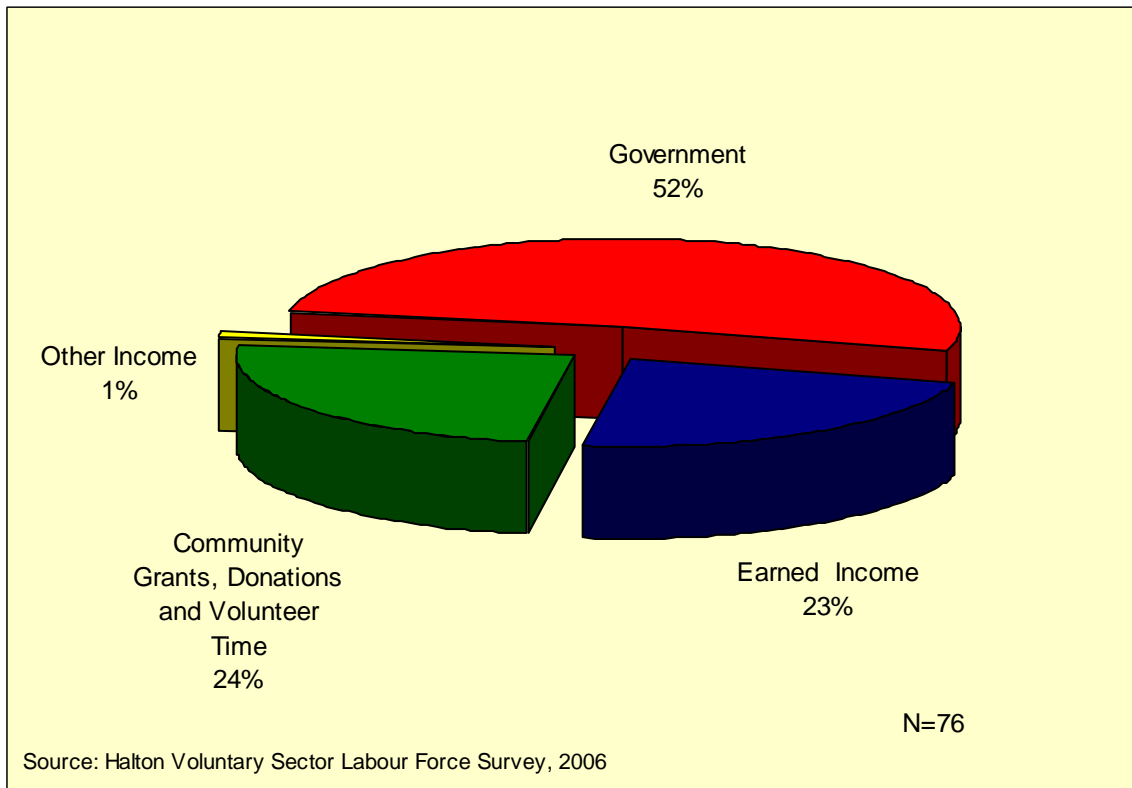


Figure 38: Major Sources of All Income of Halton Agency Respondents Including High Range Economic Value of Volunteer Time



The preceding calculations of the economic value of volunteer time in Halton are necessarily broad and rough based on Halton agencies reporting their numbers of volunteers and estimates of the numbers of hours that volunteers contribute. The methods used in the *Satellite Account* to convert time into monetary value at a broad sectoral level have also been used. Given that these results suggest significant amounts of time and an important contribution to the value-added of the nonprofit human services sector as measured economically, it is worth considering being more rigorous in the collection of volunteer data and more sophisticated in converting that information into economic value. In recent years, more attention is being paid to developing methods for more accurately accounting for volunteer time and ascribing economic value to that time.⁶⁸ It may be worthwhile for Halton agencies to think about adopting a common practice, which could provide even more precise and useful information on the contribution of their volunteers to the sector's GDP in the region.

5.4 Considerations on the Economic Role of the Sector

The discovery of the economic value of the nonprofit sector and documentation of its productive contribution to the Canadian economy are important for repositioning the sector and raising awareness about its full social and economic contribution. Yet there are important cautions here.

Analyzing Statistics Canada's *Workplace and Employee Survey* (WES), McMullen and Schellenberg point out the low wage rates in the nonprofit sector compared to the private sector, \$2.00 to \$4.00 lower median hourly wages, despite the fact that nonprofit workplace employees are generally better educated than private sector workers. The nonprofit sector also has a higher proportion of temporary and part-time jobs than the private sector. Non-wage benefits are also not as available in the smaller nonprofit workplaces as they are in larger workplaces.⁶⁹

The Halton Nonprofit and Voluntary Sector Labour Force Study survey findings confirm the relatively low wage levels in the nonprofit human services sector in Halton especially for direct service workers and office support staff and the non-wage benefit differences for employees in smaller versus larger nonprofit agencies.

All of this suggests that, at least in the core nonprofit sector, the quality of employment leaves something to be desired. One early study by Browne and Landry indicates that the

⁶⁸ Michelle Goulbourne and Don Embuldeniya. *Assigning Economic Value to Volunteer Activity: Eight Tools for Efficient Program Management*. (Toronto: Canadian Centre for Philanthropy, 2002).

Goulbourne and Embuldeniya detail eight measures for documenting volunteer contribution organized into three strategic areas: human resource productivity measures, volunteer program efficiency measures, and community support measures.

⁶⁹ Kathryn McMullen and Grant Schellenberg. *Job Quality in Nonprofit Organizations*. Research Series on Human Resources in the Nonprofit Sector, No. 2, (Ottawa: Canadian Policy Research Networks, January 2003).

sector reflects mostly poor quality jobs.⁷⁰ Given the economic value and importance of the sector, poor quality employment would seem to be a risk factor for maintaining economic strength in the long run. Also, this may be evidence of the economic exploitation of the sector as a low wage sector used for downloading and offloading responsibilities previously provided through higher quality public service employment.

As well, the “efficiency bias” of calculating the economic value of the sector tends to emphasize the service delivery mandate and functions of the nonprofit human services. Economic indicators and measures seem less relevant or useful to the sector’s role in civic engagement and developing the skills and capacities of active volunteers. Indeed, the benefits of these contributions to community life cannot really be confined to one-time counting in the annual GDP. This is the value that keeps on adding throughout the life course of participating individuals who both give and receive through their involvement.

Another caution about the economic contribution of the nonprofit sector has to do with measuring volunteer activity as the “extended value of labour compensation” to the sector’s overall GDP. While volunteer time and talent are part of the productive capacity of the nonprofit sector, it is very important to make sure that converting this human resource capacity into Full-Time Equivalent jobs does not lead to faulty conclusions.

Stating volunteer hours in terms of FTE jobs can suggest that volunteers are a substitute for a paid labour force and a potential source of higher sector efficiencies, especially when resources are constrained. This is especially reinforced when referring to the monetarized value of volunteer hours as “replacement costs.”⁷¹

Although volunteers contribute to the work of the nonprofit organization, volunteers themselves are also an output of the nonprofit sector’s work via their recruitment, orientation, coordination and ongoing support. Institutional infrastructures based on paid employees are critical to enabling and supporting volunteer participation. Surveys done by Community Development Halton in 1996 and now in 2006 indicate that the total nonprofit human resource base, in terms of numbers, comprises about one-quarter paid staff and three-quarters volunteers. In terms of person hours per year, the ratio ranges somewhere around one volunteer hour to seven to twelve paid employee hours (i.e., volunteer time ranges from 8.4% to 13.6% of paid employee time).⁷²

Volunteers are human resource inputs that do contribute to the output of nonprofit organizations. However, some part of the paid employee time of nonprofit agencies and other agency infrastructure enables volunteers to make their contribution. Some funders hold nonprofit agencies accountable for numbers of volunteers involved in programs as an

⁷⁰ Paul Leduc Browne and Pierrette Landry. Summary of Findings from *The "Third Sector" and Employment: Final Report to the Department of Human Resources Development*. (Ottawa: Canadian Centre for Policy Alternatives, 1996), pp. 60 – 64.

⁷¹ Statistics Canada. *Satellite Account of Institutions and Volunteering, 1997-2001*. Ottawa: Minister of Industry, 2005), p. 9.

⁷² Ted Hildebrandt and Shelley McEwan. *Meeting Human Needs: The Impact of Funding Restraints on Halton Agencies*. (Burlington, Ont.: Community Development Halton, 1997).

output indicator. So, in that sense, volunteers themselves are part of the outputs of nonprofit organizational capacity including paid staff. Rather than referring to the volunteer contribution as “replacement cost value,” it could be more appropriately referred to as “added value” to the work of nonprofit organizations, which is at least partly dependent on the organizational capacity of the agency to develop and support it.

The study, *Profile of a Changing World*, surveyed 382 nonprofit community service agencies in Metro Toronto in 1995 and 1996. This research suggests a negative relationship between weakened nonprofit infrastructure and the capacity to maintain volunteer involvement. As funding to the surveyed agencies fell by \$11 million between 1995 and 1996, and about one third of the agencies in the sample reduced their staff complements, the proportion of the agencies’ workforce made up of volunteers fell by 9%.⁷³ Overall, at the sector level in the Toronto study, there was no substitute labour effect from the loss of staff and the presence of volunteers (i.e., volunteers did not fill the vacuum left by reduced staff levels). Rather volunteer loss accompanied funding cuts and staff reductions.

Further, the NSNVO survey results for Ontario also indicate a relationship between increases in numbers of agency volunteers and both increases in funding and increases in paid staff between 2000 and 2003.⁷⁴

As a final caution, establishing the economic contribution of the nonprofit sector does not necessarily mean that it will be recognized as an integrated and valued part of the larger economy. In his book, *The End of Work*, Jeremy Rifkin sees another possibility: the evolution of the “third sector” or the “social economy” as the salvation of society from the vagaries of complete market domination. According to Rifkin, the new economy dominated by the private market depends less on human labour and more on technological innovation for its productive capacity. At the same time, the public sector is shrinking and providing less relief against job loss and income reduction.⁷⁵

Rifkin points to an emerging world of greater polarization and social disintegration as the ranks of the unemployed and the under-employed increase. He suggests another vision for the future:

Another choice is available – one that could help *provide a cushion against* the increasingly harsh blows imposed by the technological juggernaut of the Third Industrial Revolution. With the employed having more free time at their disposal and the unemployed having idle time on their hands, the opportunity exists to harness the unused labour of millions of people toward *constructive*

⁷³ Social Planning Council of Metropolitan Toronto, City of Toronto, and Metro Toronto Community Services. *Profile of a Changing World: 1996 Community Agency Survey*. (Toronto: Municipality of Metropolitan Toronto, 1997), p. 28.

⁷⁴ Scott et al.. *The Nonprofit and Voluntary Sector in Ontario*, pp. 35 and 44.

⁷⁵ Jeremy Rifkin. “A New Social Contract” and “Empowering the Third Sector”. In *The End of Work. The Decline of the Global Labor Force and the Dawn of the Post-Market Era*. (New York: G.P. Putnam's Sons, 1995), pp. 236-245 and 249-274.

*tasks outside the private and public sectors. The talents and energy of both the employed and unemployed – those with leisure hours and those with idle time – could be effectively directed toward rebuilding thousands of local communities and creating a third force that flourishes independent of the marketplace and the public sector [emphasis added].*⁷⁶

Rifkin proposes a variety of tools that governments could introduce to facilitate the social economy (e.g., shadow and social wages; reduced work weeks). He also indicates that the infrastructure of the third sector would need to be supported by investments such as grants in order for it to become the centre of employment creation for community initiatives.

Still, as the above quote highlights, Rifkin makes the third sector and the social economy sound like a last refuge for survival in a world totally overtaken by the private market. His vision suggests a two-stream society, each with its own labour force. The producing and consuming economy is left primarily to the privileged with good jobs, wages and benefits. Meanwhile, the "disinherited workforce" would be left to support the social economy.⁷⁷ Ultimately, this scenario presents a low wage sector supporting a highly marginalized population.

Other visions offer more hope for the nonprofit sector to be an integral part of the new economy and central to the future social and cultural development of Canadian society and community life. Browne and Landry point out:

Clearly, the third sector is in no position to supplant or replace government. However, it plays a vital role in *complementing* services provided directly by government [emphasis added].⁷⁸

Clutterbuck and Howarth also envision a healthy nonprofit social sector being more connected than disconnected from other parts of the economy and society:

Government-run services and programs and not-for-profit community-based agencies work interdependently to deliver a full range of social infrastructure supports necessary for maintaining healthy, vibrant, and supportive communities. . .

*In addition to its [sic] service role, community organizations also make critical contributions to community cohesion and economic well-being through the mobilization of volunteers and the promotion of civic participation [emphasis added].*⁷⁹

⁷⁶ Ibid., p. 239.

⁷⁷ Ibid., p. 287.

⁷⁸ Browne and Landry. Summary of Findings. from *The "Third Sector" and Employment*, p. 61.

⁷⁹ Peter Clutterbuck and Rob Howarth. *Toronto's Quiet Crisis: The Case for Social and Community Infrastructure Investment*. Research Paper No. 198 (Toronto: Centre for Urban and Community Studies, University of Toronto, 2002), pp. 69-70.

5.5 Conclusion

Repositioning the nonprofit human services sector as a significant economic player should not diminish its larger role and contribution to the community and to Canadian society. Economic indicators of value must be balanced with measures of the social, cultural, and civic contributions of the sector to community well-being.

All Canadians have a stake in governments that provide high quality public services; all have a stake in a business community that creates wealth in a socially and environmentally responsible manner. Similarly, all Canadians should come to realize and value the role of the nonprofit sector in contributing to the social, economic, cultural and political development of community life.

Community Development Halton's Nonprofit and Voluntary Sector Labour Force Study has attempted to create some clarity about the value of the nonprofit sector in Halton by generating and analyzing data about the sector's most valuable assets – the paid employees and volunteers in its human resource base.

6. Emerging Issues: Pushing the Limits of the Sector's Capacity

Both the social and the economic contributions of the nonprofit human services sector are at risk, if its human resource base is undermined. The findings of the Halton Nonprofit and Voluntary Sector Labour Force Study indicate that conditions exist and forces are at work, which are pushing the human resource capacity of the sector to its limits. The following issues speak to that concern.

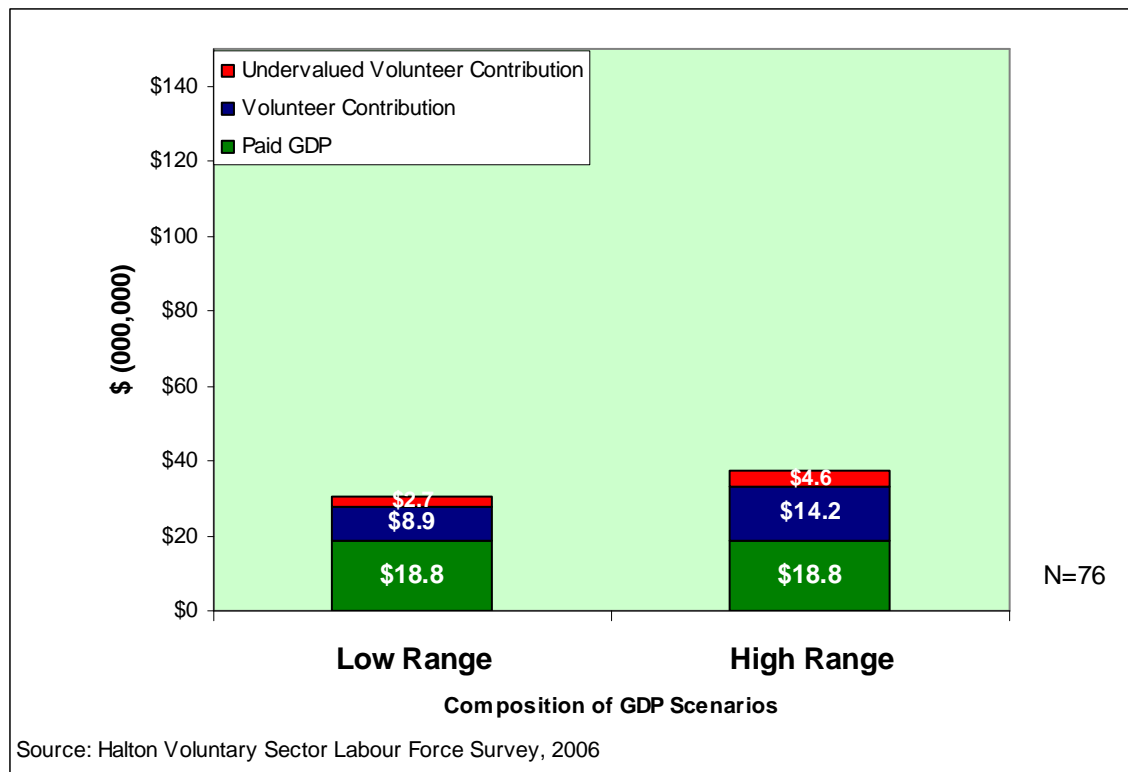
- (1) **Gender Inequity and Imbalance.** The sector's heavy dependence on women in its workforce presents particular challenges for policy and program supports conducive to good work-family life balance in the interests of both women and of the sector's own health and vitality... ***the sector cannot credibly advance equity in the community if the composition of its workforce reflects gender exploitation.***
- (2) **The Capacity to Compete for the Best.** Contending with a more competitive labour market is a major challenge for the entire nonprofit human services sector... ***the traditional rewards for working in the sector are becoming less acceptable as better paying and more secure employment in the public and private sectors becomes available in the context of a labour shortage.***
- (3) **Engaging the Workforce of the Future.** The survey findings on the involvement of young people and more culturally and racially diverse people in employment and volunteer activity are unclear... ***but the engagement of young people and more diverse populations within Halton is critical to the vitality of the sector's human resource base.***
- (4) **The Risk of Concentration and Consolidation.** The wide-ranging scale of nonprofit human service agencies indicates variable capacities across the sector for creating and sustaining a strong human resource base... ***there is risk of over-consolidation of the sector into primarily larger agencies leaving only fledgling and unstable organizations at the smaller end of the continuum.***

6.1 Gender Inequity and Imbalance

Section 5 establishes the economic significance of the nonprofit human services in Canadian society. In Halton, the calculated economic value of both paid employment and volunteer contributions to the sector amounts to a total of between \$240 and \$250 million annually, which is about 1.5% of the overall Halton economy (see Figure 35). What would happen to that picture if the labour and volunteer time of women were removed from the calculations?

Figure 39 illustrates that removing from the sector's GDP 90% of the paid labour compensation value and 73% of the volunteer economic value, which represent the contributions of Halton agencies' women workers and volunteers respectively, would reduce the sector's GDP to between \$30 and \$38 million annually.

Figure 39: Estimated Composition of GDP for the Sector in Halton Without the Contributions of Women Workers and Volunteers



Essentially, women’s work and volunteer time carry the nonprofit human services sector in Halton as in all communities across Canada. This is usually appreciated for its social benefits but is rarely thought of in terms of its economic significance, which Figure 39 clearly highlights.

Regrettably, the true value of this gender division of labour is not recognized. This first major issue emerging from the Halton Nonprofit and Voluntary Sector Labour Force study highlights the gender-based inequities in the human resource base of the nonprofit human services sector.

6.1.1 A Female Dominated Workforce

Women predominate in human services employment in Ontario and Canada. Female workers make up about 85% of the nonprofit human services workforce across the province. In Halton, Census Canada figures for 2001 show an even higher proportion of women working in the nonprofit human services sector.⁸⁰

⁸⁰ Community Development Halton. *Halton Human Services Sector Labour Force Profile*, p. 6.

Figure 40 shows that among those industries with higher than 50% female employees, human services tops the list with 87.5% of its employment base made up of women. Figure 41 indicates that women working in child care are primarily responsible for human services leading the list of female dominated industries, but that many other service fields are also significantly above the average of 51.9% women employees among all industrial sectors in Halton.

Figure 40: Industry Sectors with > 50% Female Workers, Halton, 2001



Figure 41: Female Workers by Human Services Sector Industry Groups, Halton, 2001

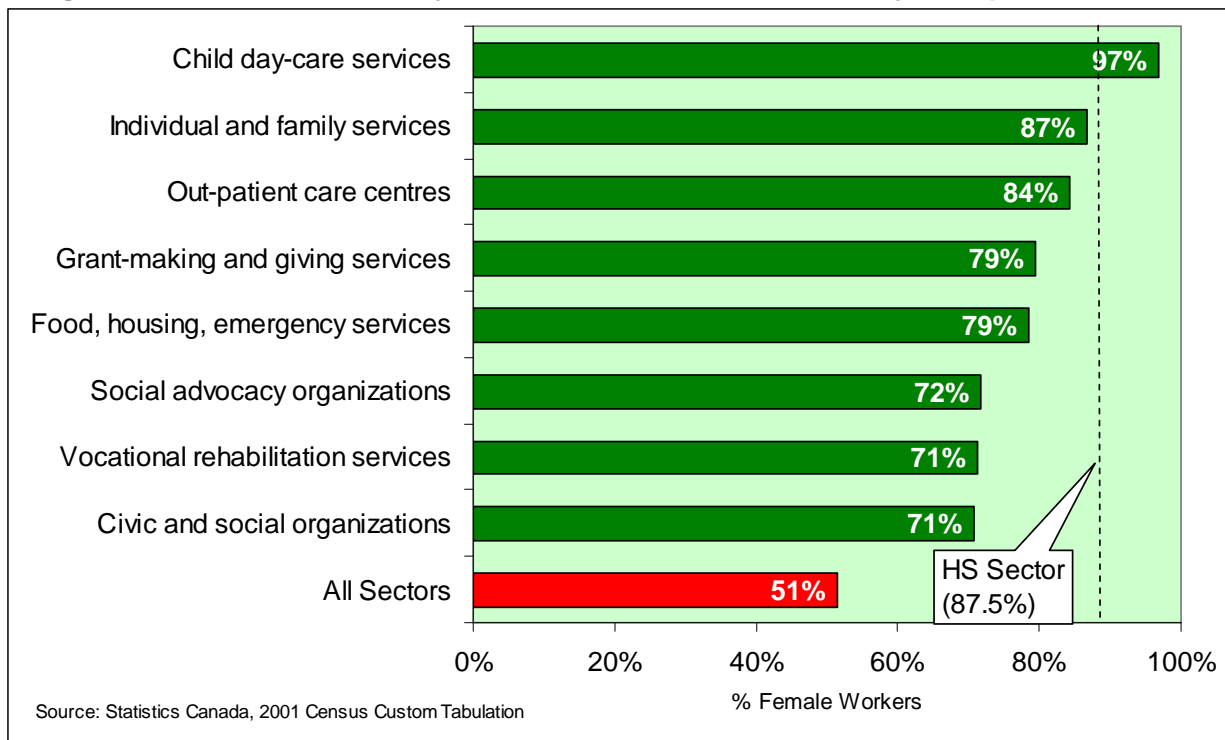


Figure 42 shows the age distribution of Halton workers by gender in all industries, which can be compared with the age breakdown by gender in the human services sector in Figure 43. The most noticeable difference is the higher proportion of female workers under 45 years in the human services sector as compared to those in all industries. There are also higher percentages of female human services workers in the 25-34 and 35-44 age groups whereas, among workers in all industries, both genders had the same proportion in the 35-44 and 45-54 age groups.

In the human services, 7% of male workers are 65 and older compared to only about 2% of women workers in that age group. In the 15 to 19 year age group, male youth also are employed at a slightly higher proportion (7%) than female youth (4%).

Figure 42: Age Distribution of All Industry Workers by Gender, Halton, 2001

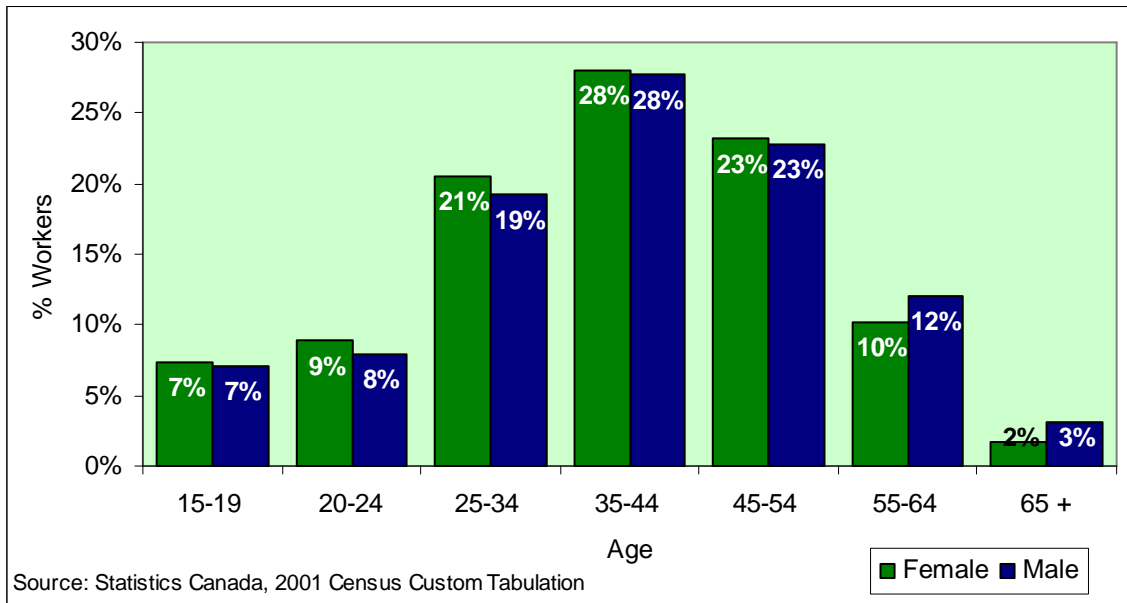
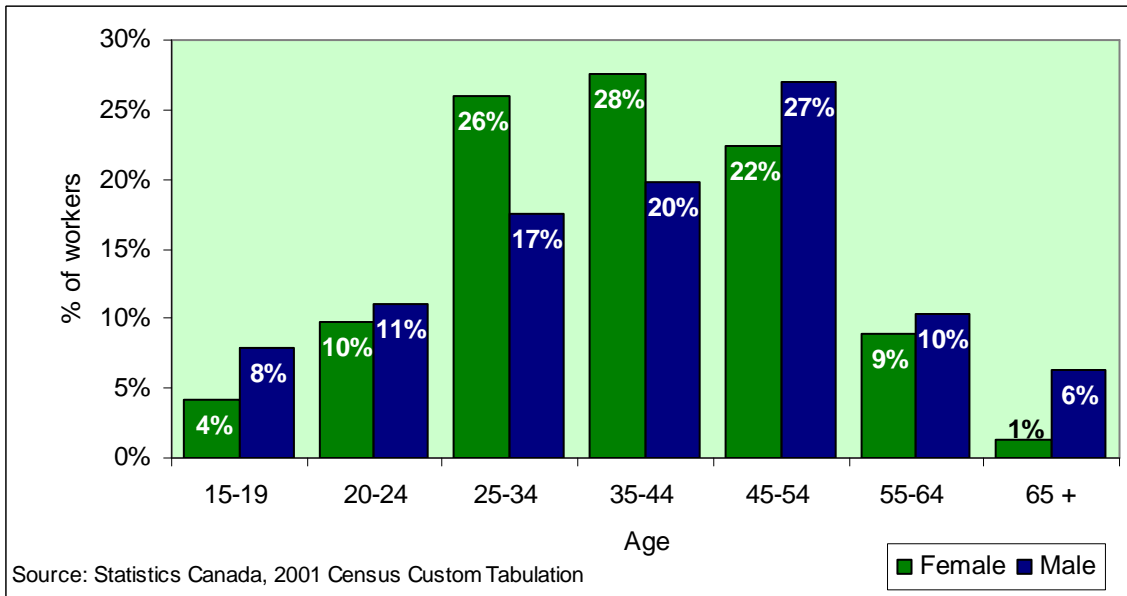


Figure 43: Age Distribution of Human Service Workers by Gender, Halton, 2001



The Halton Nonprofit and Voluntary Sector Labour Force Study survey mirrors the Census Canada data on gender breakdown in the nonprofit human services sector. Nine of ten paid employees in the 81 responding agencies are women (Figure 7). By position in organizations, Halton agency respondents report that women make up over 90% of office support staff and professional/program/service employees (direct service workers), the latter constituting 74% of the total workforce (Figure 8). Higher proportions of male employees start to become represented in management positions: 17% in middle management positions, 17% in department/division head positions, and 24% in executive director positions.

6.1.2 Gender Inequity in the Sector's Employment

Other national and local research also finds that the nonprofit workforce is dominated by women, especially the human services including health, education and social services.⁸¹ Explanations for women's strong role in nonprofit employment and volunteering include a stronger value orientation to making a contribution to the community and helping others.⁸² In general, work opportunities in the nonprofit sector may be more in tune with women's preferences. Hughes, Lowe and Schellenberg compare findings on the work motivations among male and female recent university graduates and note:

[F]emale employees are far more likely than their male counterparts to place a high value on respect, commitment, communication and workplace relations. The shares of female graduates ranking these job characteristics as 'very important' are about 18 percentage points higher than male graduates.⁸³

There is some evidence that the nonprofit workplace may offer more flexibility for women to balance the demanding requirements of both family and work life. The availability of part-time work in the sector, for example, may conform to women's family needs for greater flexibility during the day and week.⁸⁴

Do the sector's working conditions, however, serve women's interests well in the long run or reinforce a traditional inequity with respect to employment? Hunsley points out the potential opportunity costs of part-time employment to women in this way:

When women work part-time to provide a better balance, they trade off current income in return for lower stress and happier family lives. However, they are also incurring potential lifetime disadvantages in having their human and social capital decrease at a crucial point in their career.⁸⁵

Perhaps the domination of employment by women in the nonprofit sector actually reflects the societal devaluation of women's work and of employment in the sector. Studying social economy organizations in Quebec, Aubry, Bussi eres and Dor e offer evidence that women, who dominate the sector, are perceived by clients to perform a "mothering" role; and that poorer compensation packages reflect a devaluing of their work.⁸⁶

⁸¹ Louise Mailloux, Heather Horak and Colette Godin. *Motivation at the Margins: Gender Issues in the Canadian Voluntary Sector*. (Ottawa: Voluntary Sector Initiative, March 2001), p.1. McMullen and Schellenberg. *Job Quality in Non-profit Organizations*, p. 11, Table 3. Centre for Community Leadership. *Niagara Voluntary Sector Labour Force Study*, p. 25. Daya et al. *London's Voluntary Sector Employment and Training Needs Study*, p. 11.

⁸² Mailloux et al. *Motivation at the Margins*, p.5.

⁸³ Karen Hughes, Graham S. Lowe, and Grant Schellenberg. *Men's and Women's Quality of Work in the New Canadian Economy*. (Ottawa: Canadian Policy Research Networks, February 2003).

⁸⁴ Terrence Hunsley. "Work-Life Balance in an Aging Population". *Horizons* (Ottawa: Policy Research Initiatives), Vol. 8, No. 3, (April 2006), p. 5.

⁸⁵ *Ibid.*, p. 7.

⁸⁶ Fran ois Aubry, Denis Bussi eres and Ren e Dor e. *Conditions de travail et syndicalisme en economie sociale: la situation dans les organismes de services aux personnes*. (Montr al: ARUC- ES avec LAREPPS, July 2003).

Is there a relationship between the under-valuing of nonprofit work and the domination of the sector by women employees? There is clear evidence that it is a low wage sector with limited benefit coverage, especially in smaller organizations.⁸⁷ There is some evidence of gender inequity in wages within the sector even at the managerial level. Mailloux et al. refer to a survey of nonprofit managers that “found male full-time respondents earned an average of \$55,929 in 1998, while women earned about 10% less (\$50,356).”⁸⁸

A survey of nonprofit human service agencies in Regina, Saskatchewan discovered gender differentials in salaries by size of organization where male executive directors were more frequently in charge of agencies with larger budgets.⁸⁹ A recent survey of managerial compensation packages in the wider Canadian nonprofit sector concludes:

Gender gaps continue! First the ratio of females to males in an executive position decreases with seniority, with little change from the past. Second, female executives continue to earn significantly lower average compensation from their male counterparts at all levels.⁹⁰

2001 Census data on Halton residents working in nonprofit human services also point to gender inequity. Figure 44 shows the income gender differentials for all industries, expressing female employment earnings as a percentage of male earnings.⁹¹ In 2000, female workers in the Halton human services sector were paid 60 cents for every dollar earned by male workers (59.6%). This gender gap is slightly better than in Halton overall (54%), but less so than in the human services sectors of Hamilton (75%), Toronto (74%) and Peel (69%). Female child day-care workers in Halton had the widest gender differential making just over half of what their male counterparts made (52%).⁹²

⁸⁷ Browne and Landry. Summary of Findings. From *The "Third Sector" and Employment*, McMullen and Schellenberg. *Job Quality in Non-profit Organizations*, pp. 28-34.

⁸⁸ Mailloux et al. *Motivation at the Margins*, p.14.

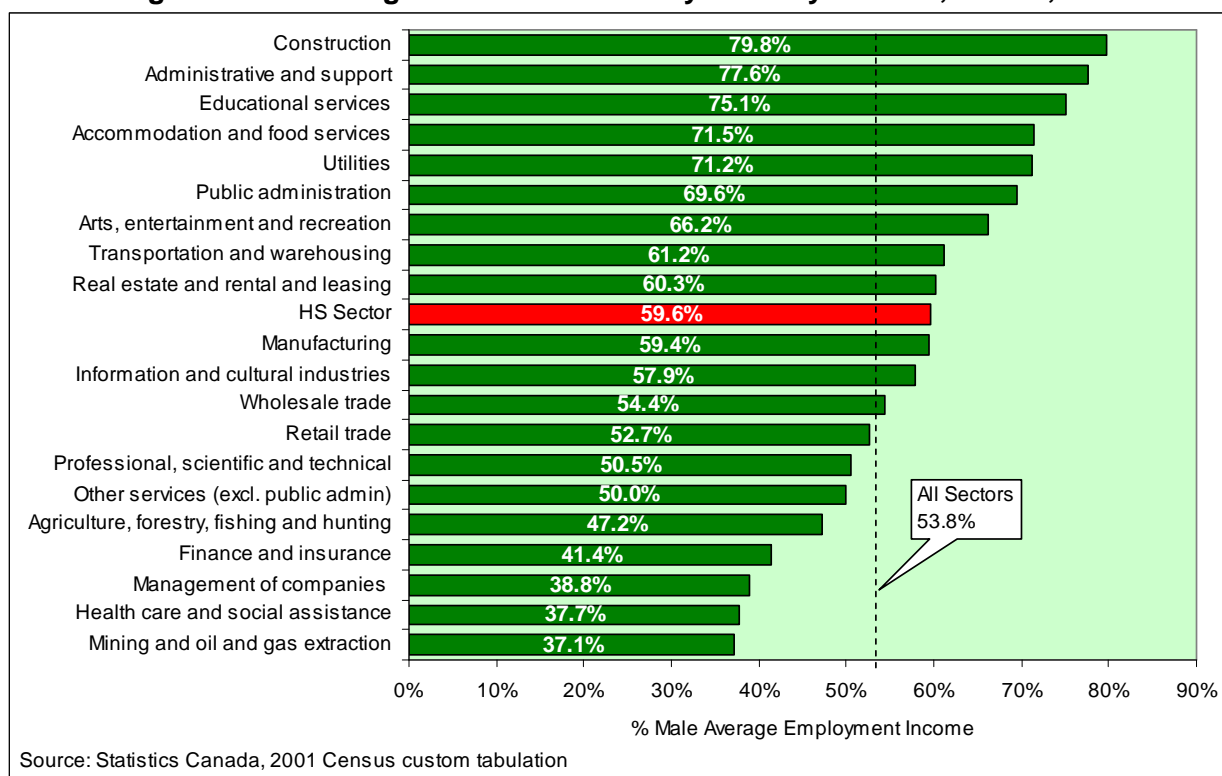
⁸⁹ Luc. Thériault and Jennifer Scullen. *Compensation in Regina's Voluntary Human Service Agencies: A Salaries and Benefits Survey*. (Regina: United Way of Regina, June 2002).

⁹⁰ InfoFeedback. *Association Executives Benefits and Compensation Report: Executive Summary*. (Toronto: Canadian Society of Association Executives, 2005), p. 1. (Thanks to Dave Nanderam for sharing this survey information).

⁹¹ Community Development Halton. *Halton Human Services Sector Labour Force Profile*, pp. 18-19. Income-gender differential measures the difference in employment income by gender. Since the current female worker income still falls behind male worker income, the income-gender differential is expressed as a percent of the male worker income. A higher percentage means a narrower income gap.

⁹² *Ibid.*, p. 19.

Figure 44: Income-gender Differentials by Industry Sectors, Halton, 2000



6.1.3 Exploring Halton Survey Results for Evidence of Gender Inequity

The Halton Nonprofit and Voluntary Sector Labour Force Study survey cannot calculate the income gender differential from its findings, as wages are reported by position and not by the gender of the specific occupants of employee positions. Indications of a wide income differential can be inferred, however: the median wage for direct service workers, is low, at \$30-\$40,000 annually, and more than 90% of direct service workers are female. The median wage rate for office support workers is even lower at \$20-\$30,000 and women make up more than 90% of this job category in the survey.

The Halton survey data can be probed for differences in male and female occupation of managerial positions in the sector. In studying Figure 45, it is noticeable that male middle managers are somewhat disproportionately represented (23.9%) among Halton agency respondents in the \$500,000 to \$2,000,000 revenue levels; however, the gender representation corrects itself among these positions at the \$2,000,000+ revenue levels (14.2%) relative to the overall gender division among the occupants of these middle management positions (16%). There is notably no male middle manager among the agencies at the lowest revenue level, which includes only 14 managerial positions, all held by women.

Figure 45: Gender Representation in Middle Manager Positions among Halton Agency Respondents by Agency Revenue Levels

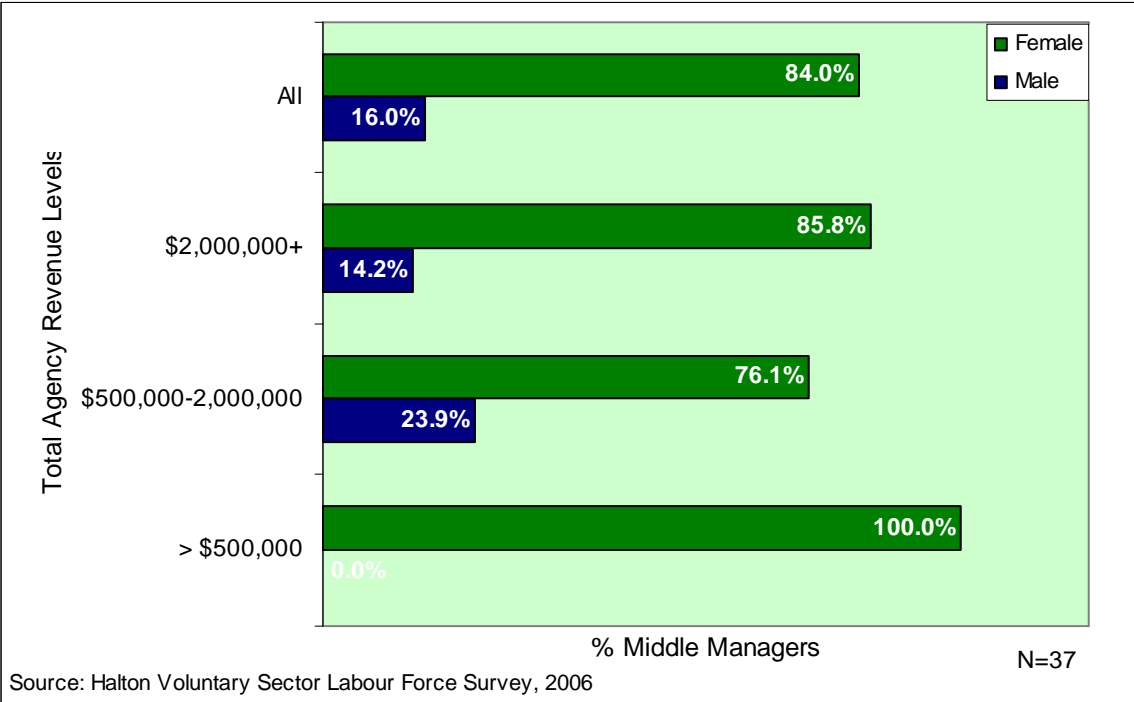
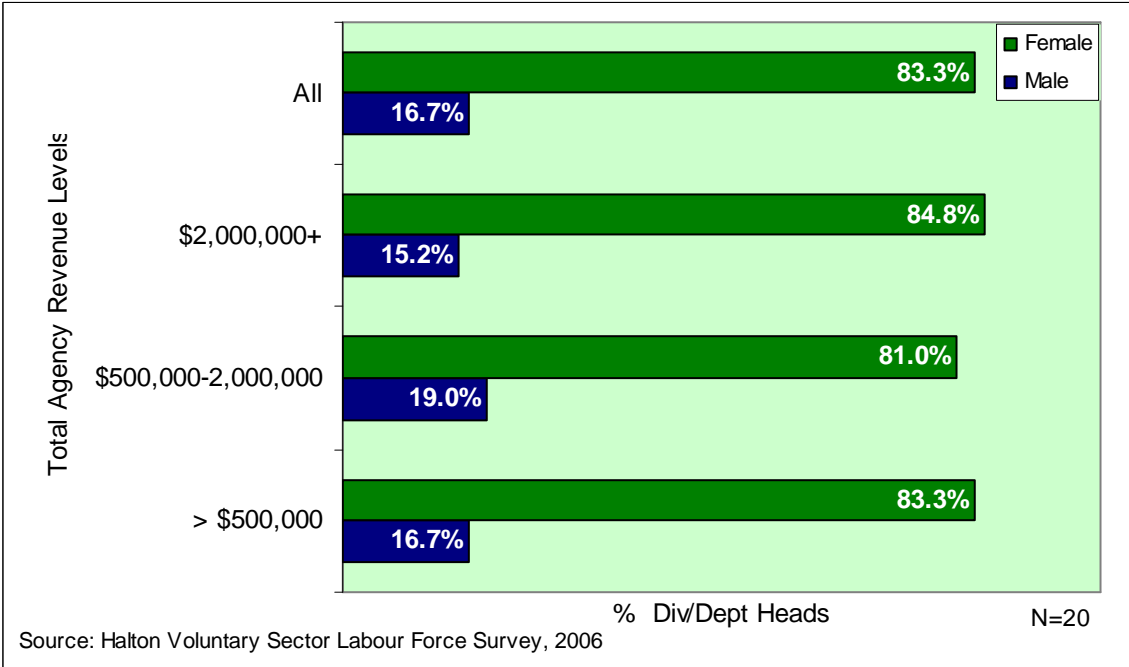


Figure 46 showing the gender distribution of senior management positions (division/department heads) is encouraging in that the gender representation conforms fairly closely to the overall gender division among the occupants of these senior management positions.

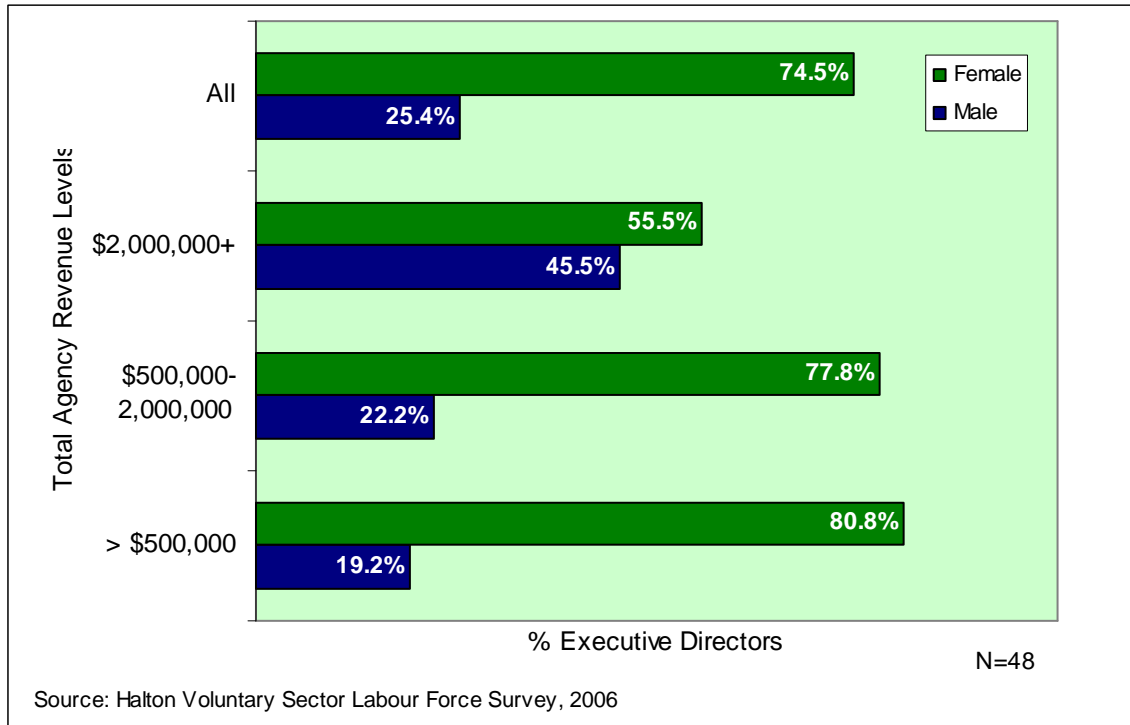
Figure 46: Gender Representation in Department/Division Head Positions among Halton Agency Respondents by Agency Revenue Levels



At the executive director level, however, Figure 47 shows that Halton agency respondents report a disproportionate representation of male executive directors among larger agencies with revenue levels of \$2 million and higher. Five of the eleven large agencies report having a male executive director (45.5%), while only just over one-quarter (25.4%) of all occupants of executive director positions among survey respondents are men.⁹³

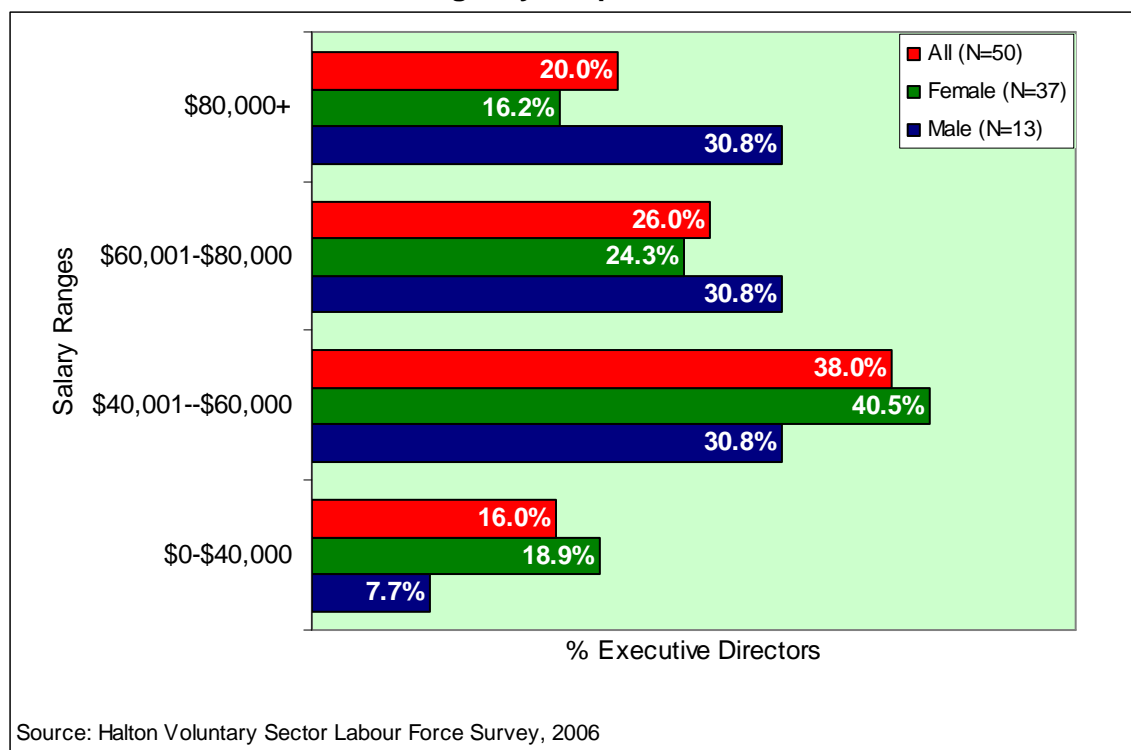
⁹³ Notably, two of the three largest Halton agency respondents have female executive directors.

Figure 47: Gender Representation in Executive Director Positions among Halton Agency Respondents by Agency Revenue Levels



Since most of the executive director positions in smaller revenue agencies are held by women, the median annual salary for all female executive directors is between \$50-\$60,000, while for male executive directors the median salary falls in the \$60-\$70,000 range. Figure 48 illustrates the gender income differential among Halton agency respondents at the level of the most senior staff position. Male executive directors are present in higher percentages in salary levels of \$60-\$80,000 and above \$80,000, reflecting at least partly their disproportionate occupancy of lead positions in larger agencies.

Figure 48: Breakdown of Executive Director Salary Ranges by Gender among Halton Agency Respondents



6.1.4 Gender Sensitive Human Resource Strategies

Two major implications emerge from the preceding analysis. First, what supports should be in place for women who wish to maintain a career in the nonprofit human services sector? Secondly, can more men be attracted to enter and build careers in the sector?

Although much more heavily represented than men in direct service work in the sector, women do not move on into the managerial ranks in the same proportion as men. Research shows that women still invest more of their time and energy than men in balancing work and family roles.⁹⁴ Until now, this has mostly had to do with women assuming more responsibility for child raising, frequently interrupting their employment time. Expected increasing demands on families for eldercare raises the spectre of even more pressure on women to leave jobs or adjust their employment patterns.⁹⁵

The flexibility of nonprofit sector work time arrangements may seem to serve women and family interests in this regard. There is, however, some evidence that transitions in and out of the workforce can be destabilizing for women.⁹⁶ If working conditions in the nonprofit sector are also insecure and unstable (e.g., poorer salaries and benefits, higher rates of

⁹⁴ Hunsley. "Work-Life balance in an Aging Population". p. 6.

⁹⁵ Ibid., p. 8.

⁹⁶ Jeff Carr. "Lifetime Labour Force Transitions." *Horizons*, (Ottawa: Policy Research Initiative) Vol. 8, No. 3 (April 2006), pp. 55-58.

temporary or contract work), then it can impede both the work-family life balance that women need and their ability to advance and develop their careers. Given the projected labour shortage, it is not only in the personal interests of women and families that smoother transitions in and out of employment are supported, but it is also in the public's broader social and economic interest that women's energy, skills and experience remain part of the active workforce.

There are public policies responsive to the work-life balance needs of families that would be supportive to all working women, not just those in the nonprofit sector. Improved parental leave programs with more incentives for men to share parental leave time with women is an example. Another is more adequate benefit coverage for part-time employees.⁹⁷ The Policy Research Initiative promotes "leave-saving accounts," which would allow workers to accumulate credits of time and money to take time off work for family reasons or continuing education or training.⁹⁸ This kind of support for "life-course flexibility" would particularly suit workers in the nonprofit sector, mostly women, who seem to have a higher preference or greater need for flexible work arrangements.

Since the nonprofit sector is so heavily constituted of women, sectoral advocacy for public policies and programs that support flexibility in work arrangements, rather than leaving it up to individual workers and nonprofit employers to negotiate and work out, would seem to be advisable. Collective thinking about such supportive public policy may also promote discussion of internal sectoral initiatives which could deal with gender-based inequities (e.g., salary differences between male and female managers) and barriers to maintaining stability and continuity for women in their employment in the sector.

Men, although very much in the minority, have a disproportionate share of managerial positions in relation to the overall gender division of the nonprofit workforce in Halton. The 2001 Census data also indicates that men assume a larger role in the nonprofit sector when in their mid-forties and fifties than when younger, again suggesting involvement in greater numbers at a more experienced and senior stage in their work lives (Figure 43).

As salary and wage levels in the nonprofit sector are lower than in other sectors, especially in direct service work, the low involvement of men is not unexpected. It does raise the question, however, about whether those who end up in managerial positions "come up through the ranks" with some degree of front-line service experience or whether they move into the sector at the managerial level from other sectors. Further research might explore the career path that leads men to the managerial levels of nonprofit human services.

Although there may be gender differences in motivations for working in the sector, there are still a significant number of men in the labour market who share a value orientation with the nonprofit sector that make them potential workers in the sector. Perhaps sectoral awareness-building campaigns are required to attract men to employment in the sector in

⁹⁷ R. Beaujot. "Gender Models for family and Work." In Policy Research Initiative, *Horizons*, Vol. 8, No. 3, (April 2006). pp. 25-26.

⁹⁸ Hunsley. "Work-Life balance in an Aging Population", pp. 12-13.

the same way that armed forces promote the advantages of a military life and career. Much like the military recruitment campaigns, positive features of work in the sector would have to be highlighted to counter at least current extrinsic factors, such as compensation levels. At some point, inadequate compensation packages, both wages and benefits, must be addressed, not just in order to attract more male workers, but also to remedy the gender inequity of paying a female workforce poorly for performing essential caregiving roles in the community.

6.2 The Capacity to Compete for the Best

Nonprofit agencies seem forever to be consumed with the state of their financial resources and their funding needs. Not unexpectedly, the Halton Nonprofit and Voluntary Sector Labour Force Study exposes these same concerns. The highest clustered response to the open-ended question on major organizational challenges anticipated in the next five years is “adequacy, stability, sustainability of funding/finances” (68% of agency respondents in Table 8).

Halton agencies, however, are also indicating a more specific concern related to the state of their financial resources. More than a third (35%) say that their capacity related to “maintaining a qualified staff base” is a major organizational challenge. Asked specifically about major future financial issues, the highest rate of response (36% in Table 9) speaks to the “need for core funding” but this cluster of replies is followed closely by “funding for human resources” (31%) including the capacity to recruit and retain competent employees. When asked why employees depart their employment, competitive job factors head the list of reasons (43% of agency responses, Table 14), more than two-and-a-half times the response for reasons related to sectoral pressures including funding (16%).

Regardless of whether small, medium or large, Halton’s nonprofit human service agencies are expressing heightened concerns about the issue of labour market competition for good employees. On salaries and wages, benefit coverage, permanent versus temporary, and full-time versus part-time jobs, Halton agency respondents report levels and working conditions that are unfavourable to the recruitment and retention of a stable workforce.

Previous surveys and studies have pointed to the same problem. A labour force survey of the broad non-profit sector done by the Centre for Community Leadership in 2003 in the Niagara Region cites inadequate pay and poor benefits as major retention issues for the sector.⁹⁹ A similar study in London, Ontario found agencies in the voluntary sector experiencing an increase in contract jobs, loss of full-time permanent positions and problems filling vacancies because of poor pay and inadequate benefit packages.¹⁰⁰ Recent survey and focus group research on direct service workers and managers in Toronto documented that 58.6% have considered leaving their jobs for a variety of reasons

⁹⁹ Centre for Community Leadership. *Niagara Voluntary Sector Labour Force Study*, p. 25-35.

¹⁰⁰ Daya et al. *London’s Voluntary Sector Employment and Training Needs Study*, pp. 11, 14-15.

including poor pay (61.8%), need for greater opportunities for advancement (41.2%), and frustrating working conditions (35.3%).¹⁰¹

Still, these and other studies indicate that paid employees in the nonprofit sector, including the human services, have job satisfaction ratings at the level of 80% and higher, and that job satisfaction ratings increase with the age of employees.¹⁰² The “intrinsic” benefits of working in a sector that helps other people and makes a contribution to improving the community partly offset the poor “extrinsic” factors that create job dissatisfaction.¹⁰³ Other aspects of employment in the sector appeal to many workers as well, such as working in more personal settings with smaller groups of people and having more flexible work time arrangements, which are features of some parts of the sector.¹⁰⁴

The pressing question for the nonprofit human services is whether the extrinsic costs of working in the sector are beginning to outweigh the intrinsic benefits that attract workers to the sector. Is a “tipping point” being approached that threatens the stability of the sector’s paid human resource base?

6.2.1 The Threat of Extrinsic Factors to the Halton Human Services Workforce

The employee profile of Halton survey agency respondents is consistent with national and other local surveys done in recent years. Halton human service agency respondents describe a well-educated workforce with a strong contingent in their prime working years (26 to 45 years of age) especially on the front lines, led by an experienced, reasonably sized management component.¹⁰⁵ There is no reason to believe that the positive and value-oriented motivations of Halton’s employees for working in the sector are not just as strong as other Canadian research would suggest exist in general for the nonprofit workforce.

As in other survey findings, however, the extrinsic conditions of work in Halton nonprofit human services threaten the stability and maintenance of the workforce. McMullen and Schellenberg offer an additional alert to the sector:

¹⁰¹ Community Social Planning Council of Toronto. *On the Front Lines of Toronto’s Community Services Sector. Improving Working Conditions and Ensuring Quality Services*. (Toronto: CSPC-T and Family Services Association of Toronto, 2006) p. 13.

¹⁰² McMullen and Schellenberg. *Job Quality in Non-profit Organizations*, pp. 42-43, Table 17.

¹⁰³ *Ibid.*, p. 9, Table 2. In a chart on the dimensions of job quality, McMullen and Schellenberg write that “Intrinsic Rewards” are “Interesting work”, “Sense of accomplishment”, and “Use of creativity and initiative”, and that “Extrinsic Rewards” are “Earnings”, “Benefits”, and “Job Security”.

Centre of Community Leadership. *Niagara Voluntary Sector Labour Force Study*, p. 30.

Daya et al. *London’s Voluntary Sector Employment and Training Needs Study*, pp. 12.

Community Social Planning Council of Toronto. *On the Front Lines of Toronto’s Community Services Sector*, p. 13.

¹⁰⁴ McMullen and Schellenberg. *Job Quality in Non-profit Organizations*, pp. 25-26, Table 17.

¹⁰⁵ Using the 2001 Census data for Halton, the average age of human service workers in Halton is 39, which is one year younger than the average age for workers in all industries in Halton Region. Source: Statistics Canada 2001 Census custom tabulation for Community Development Halton.

All in all, the non-profit sector relies on a group of workers (highly educated, skilled) for whom demand is increasing. It is expected that competition for these kinds of workers will intensify among employers across all sectors of the economy in the coming years, due to demographic shifts and to ongoing increases in skill requirements characteristic of the knowledge-based economy.¹⁰⁶

In terms of non-standard work, sections 3.4.1 and 3.4.2 explain that management positions in Halton nonprofit human service agencies are more stable and secure than those of direct service and office support employees and that larger agencies have more permanent and full-time employment than smaller and some mid-size agencies. In terms of salaries and wages, the median annual income of all employees among agency respondents is between \$30,000 and \$40,000. This median income is really established by the weight of the direct service workforce in the employee base reported in the survey. Direct service workers make up three-quarters of the paid workforce in the sector.

These survey findings are consistent with 2001 Census results for Halton regarding residents employed in the nonprofit human services sector.¹⁰⁷ But employment incomes in the nonprofit sector do not compare favourably with other sectors.

In Ontario, the average employment income for all workers in 2000 was about \$35,200. Halton's average annual employment income for all industries (\$46,200) was about 30% higher than the provincial average.

As shown in Figure 49, the top five annual employment income sectors in Halton ranged from \$61,966 to \$97,315 in 2000. The number of workers in the top five income sectors represented about 18% of all workers in Halton.

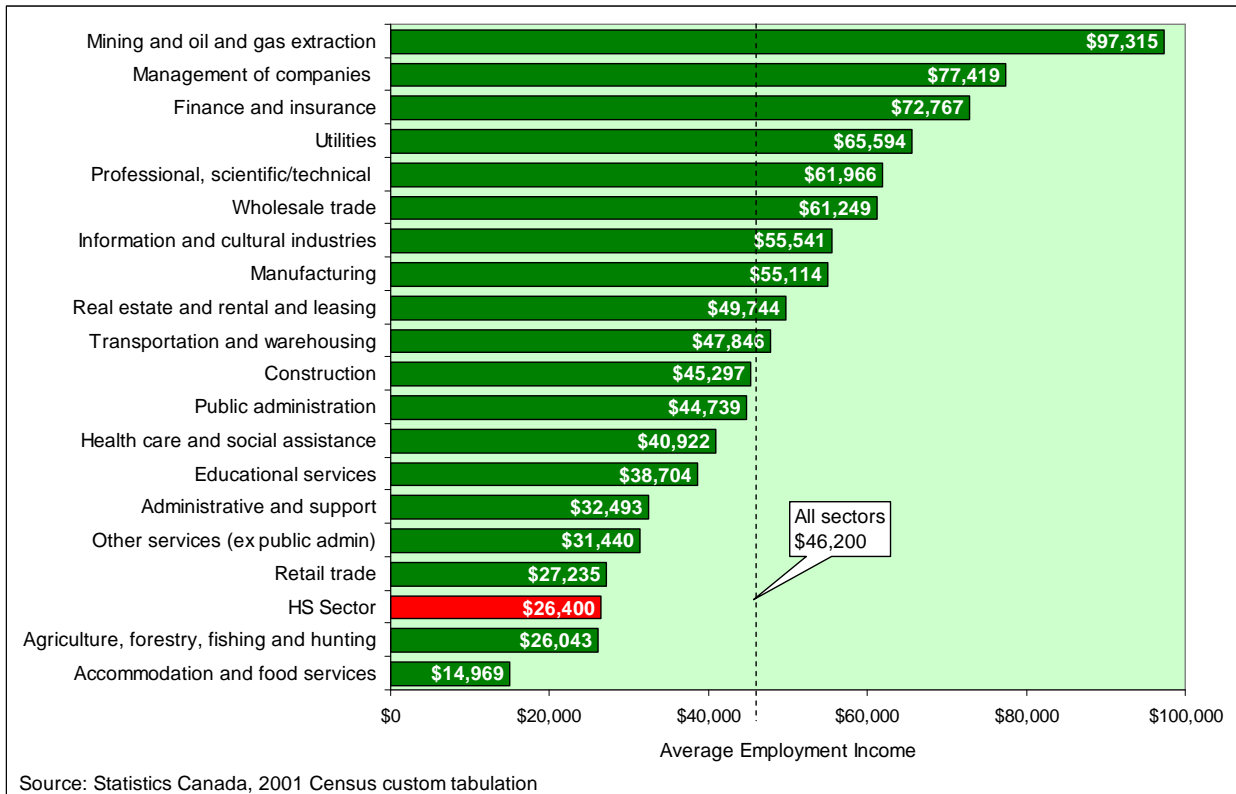
The average employment income for workers in the human services (HS) nonprofit sector in Halton, however, was about \$26,400, just over half of the average income for all workers.¹⁰⁸ This income level ranks 18th among all 20 industry sectors. In 2000, the average income in human services for Halton was lower than Toronto (\$26,979) but higher than Peel (\$24,081) and Hamilton (\$22,830).

¹⁰⁶ McMullen and Schellenberg . *Job Quality in Non-profit Organizations*, p. 12.

¹⁰⁷ For the 2001 Census, respondents were asked to provide information on income for the year ending December 31, 2000. As a result, the employment income data reported was for year 2000 instead of 2001. See Community Development Halton. *Halton Human Services sector Labour Force Profile*, p. 17.

¹⁰⁸ For an account of how the Human Services industry group was constructed as a proxy for the nonprofit human services sector in Halton Region, see Community Development Halton. *Halton Human Services Labour Force Profile*, pp. 1-5.

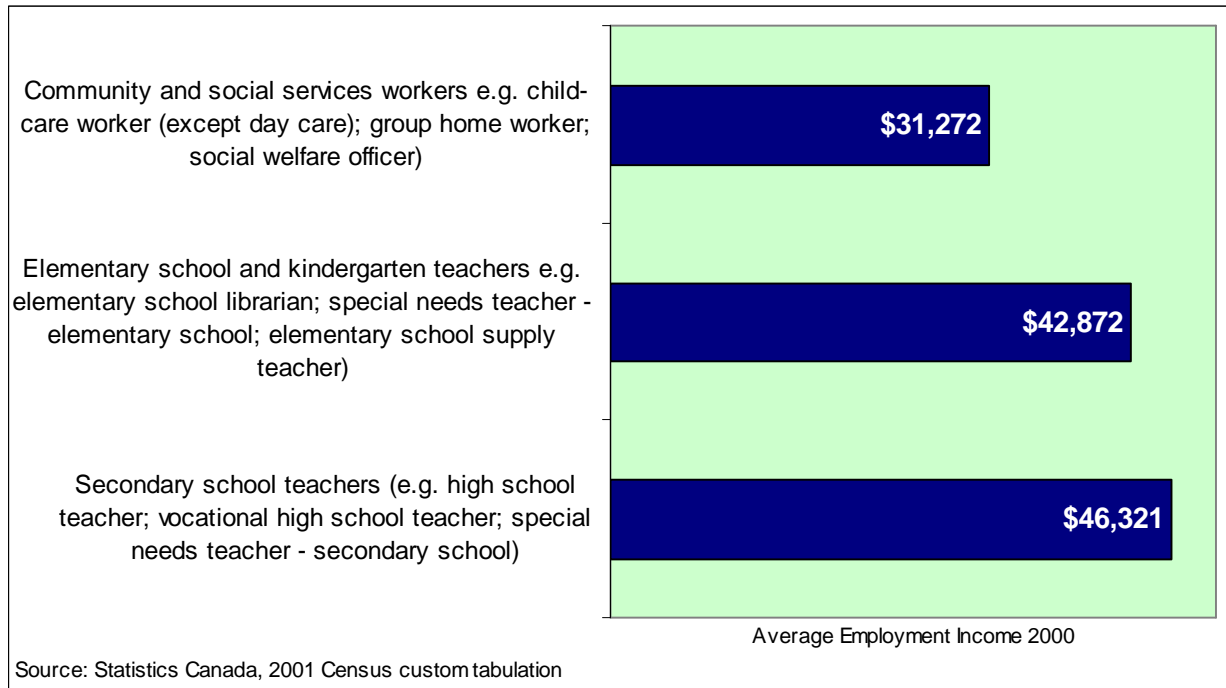
Figure 49: Average Employment Income by Industry Sectors, Halton, 2000



Not only were human services sector employment incomes in 2000 below the all industry average for Halton, but the magnitude of the income “gap” for the child day-care services (a sub sector of human services) was most significant. The average employment income for the child day-care workers was 62% below the average for all workers and 35% below the average for human service sector workers. In other words, child day-care workers earned 38 cents for every dollar an average worker in Halton made in 2000.

As the \$30-40,000 median income for employees in the Halton Labour Force Study survey is established primarily by the weight of direct service workers in the employment base, it may be informative to look at annual incomes in comparative positions in other fields. Public school teachers might be considered equivalent front-line positions to direct service workers in the nonprofit human services. Figure 50 shows a slightly unfavourable income differential for direct service employees in Halton nonprofit human services when compared to the salary data for Halton Region elementary and secondary school teachers in 2000. Notably, average income showing for “community and social service workers” in the 2001 Census is consistent with the Halton Labour Force Study survey results, which report median not annual average salaries/wages.

Figure 50: Average Annual Employment Income for Comparative Direct Service Positions, Halton, 2000



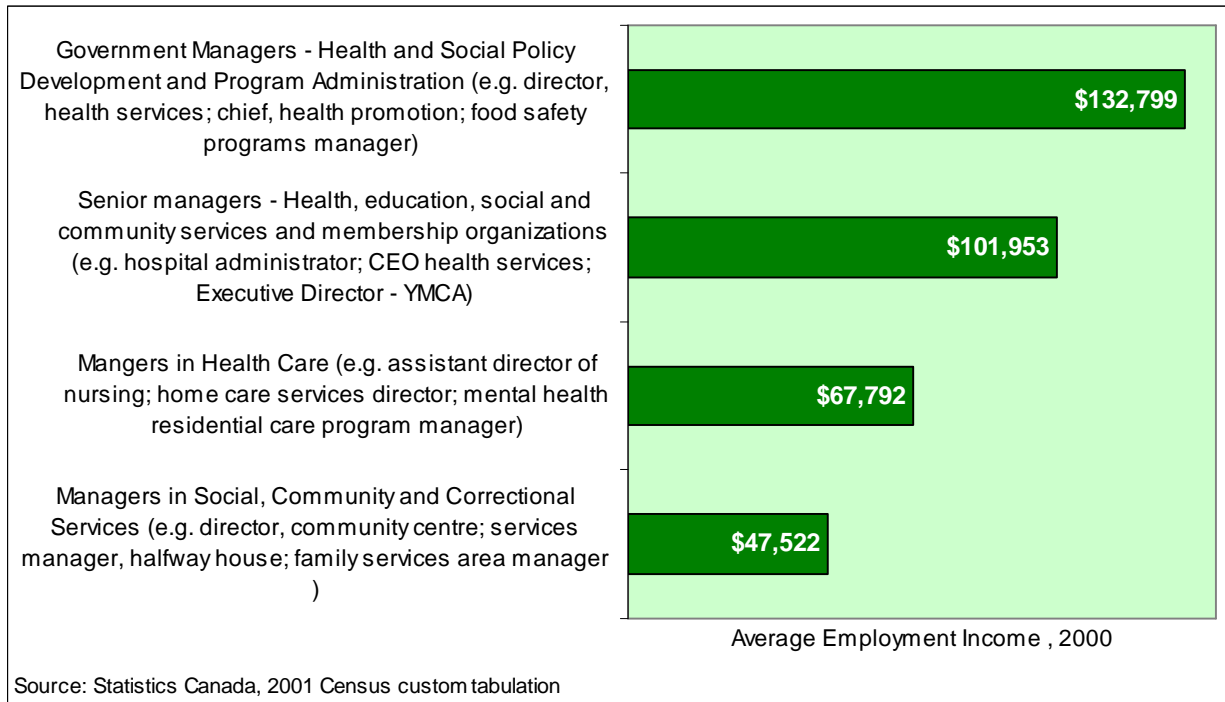
Halton agency respondents do report better salary levels for middle and senior managers. For middle managers the median annual income is in the \$50-60,000 range and for senior managers, it is \$60-\$70,000. These income levels are below the \$77,410 average annual income in 2000 for “management of companies” as shown in Figure 49.

The Halton agency survey findings on salary levels for middle managers are somewhat comparable to 2001 Census data on average employment income for “managers in social, community and correctional services” (\$47,522) and “managers in health care” (\$67,792) as shown in Figure 51. Clearly, however, Halton nonprofit human service agency middle and senior managers are well below the average employment income levels for “government managers in health and social policy development and program administration” (\$132,799) and “senior managers in health, education, social and community services’ (\$101,953).¹⁰⁹ In general, it is estimated that managers in the Canadian nonprofit sector earn \$8-\$10 per hour less on average than in other sectors, which translates into an annual differential in salary of \$15,360 to \$19,200.¹¹⁰

¹⁰⁹ In terms of the full range of reported agency positions in the Halton Nonprofit and Voluntary Sector Labour Force survey, there are four positions in the \$70-80,000 range for middle managers and six positions at more than \$90,000 for senior managers.

¹¹⁰ McMullen and Schellenberg. *Job Quality in Non-profit Organizations*, p. 50. The annual differential of \$8-\$10 per hour is calculated on the basis of a 40 hour work week for 48 weeks per year.

Figure 51: Average Annual Employment Income for Comparative Middle and Senior Manager Positions, Halton, 2000



Lower incomes are not offset by better non-wage benefit packages to employees throughout the nonprofit sector, although permanent employees, especially in larger health, education and social service organizations, have better benefit packages. Compared to the for-profit sector, nonprofit employers with less than 20 employees offer a wider range of benefits to all their employees but are not competitive with larger nonprofit or public sector employers.¹¹¹ Nonprofit sector employees also participate at a significantly higher rate (44.7%) in their employers' non-wage benefit plans than employees in the for-profit sector (34.2%).¹¹² The higher participation rate, however, is much higher for full-time, permanent employees than for part-time and/or temporary employees.

Table 26 compares Halton survey results to selected benefits from the 1999 Workplace Employee Survey, as reported by McMullen and Schellenberg.¹¹³ The comparison is made to “quango” sector agencies in the *WES*. Quango stands for “quasi-autonomous non-governmental organizations” and includes larger organizations that are primarily publicly funded, although still classified as nonprofits (e.g., hospitals, public schools, colleges and universities).¹¹⁴ Quangos were selected as the basis for comparison as the sector with which nonprofit human service agencies compete most directly for human resources.

¹¹¹ Ibid., pp. 40-41.

¹¹² Ibid., p. 38.

¹¹³ Ibid., p. 41. Benefits were selected from Table 16 in McMullen and Schellenberg's use of the *Workplace and Employee Survey (WES)* of 1999 that allowed comparisons with the Halton Nonprofit and Voluntary Sector Labour Force Study survey data.

¹¹⁴ Ibid., p. 5.

Table 26: Comparison of Employer Provision of Selected Benefits, Halton Agency Respondents, 2006 with Workplace and Employee Survey, 1999

Non-Wage Benefits	Employer Provision of Selected Non-Wage Benefits					
	% Halton Agency Respondents (N=75, 2006)			% Quango Sector Employers (WES, 1999)		
	All	Less than 20 Emp.	20 and More Emp.	All	Less than 20 Emp. ¹¹⁵	20 and More Emp.
Dental Care Plan	59.4	30.6	90.1	52.6	--	68.6
Life Insurance/Disability ¹¹⁶	47.2	28.5	65.9	72.5	--	94.5
Group RRSP	23.4	19.4	27.3	25.3	--	34.9
Retirement Pension Plan	13.0	0.0	27.3	66.3	--	89.8

In terms of employer provision of benefits, the Halton agency respondents could be considered truly competitive with the quango sector in only one area: the dental plan. Even this competitive benefit coverage applies only to Halton nonprofits with twenty or more employees. On life and disability insurance, even larger Halton agencies do not provide the same level of coverage as the WES quango sector. While Halton nonprofit agencies appear to be competitive with the quango sector on the Group RRSP benefit, this is actually offset by the quango sector's much heavier commitment to the more costly employer sponsored retirement pension plans, especially in the larger workplaces.

Given the preceding review of job status, income levels and provision of non-wage benefits, the Halton nonprofit human service sector is not in a strong competitive position to attract and retain employees, and, as indicated earlier, agency respondents identify this as a major concern, as have nonprofit participants in national research.¹¹⁷ To some degree, these extrinsic factors are offset by other motivations and intrinsic benefits for working in the sector. But, McMullen and Schellenberg offer an alert to a possible "tipping point" in that regard:

If there is little or no difference in the extrinsic rewards (e.g., earnings or benefits) offered by non-profit and for-profit employment, the additional intrinsic rewards non-profit employees derive from their work (such as value orientation of the job) could be considered a windfall. However, if the costs

¹¹⁵ Ibid., p. 41. Estimates are not shown in WES quangos with fewer than 20 employees 'due to high sampling variability'.

¹¹⁶ Survey results for life insurance, accident insurance, short-term disability and long-term disability were combined into weighted averages for the figures shown in "Life Insurance/Disability" in Table 26.

¹¹⁷ Michael Hall et al. *The Capacity to Serve. A Qualitative Study of the Challenges Facing Canada's Nonprofit and Voluntary Organizations.* (Toronto: Canadian Centre for Philanthropy, 2003), p. 33.

that intrinsic rewards exact in terms of earnings or benefits become too high, non-profit employees may re-evaluate whether it is worthwhile remaining in the sector.¹¹⁸

6.2.2 The Impact on the Sector of Looming Labour Shortages

Competition for human resources, of course, increases when there is a labour shortage. Various dynamics present this spectre to the nonprofit human services in Halton and across the province and Canada.

Projections of Canada's future labour supply point to a gradual decline starting in 2013 and lasting almost twenty years.¹¹⁹ This trend will increase the pressure for workers to stay in the workforce longer. Cross notes an already emerging trend for more older workers in the 50 to 55 year range to stay in the workforce rather than retiring early. This reflects both older workers' preference but also employers' wish to retain their skills and experience.¹²⁰ This is even more important given the delay in young people entering the workforce as their rates of enrolment in postsecondary education have increased in the last number of years.¹²¹ Youth commitment to postsecondary education also shows their heightened sensitivity to the labour market requirements of the knowledge-based economy.¹²²

Cross also marks the trend since 2003 of increasing rates of full-time over part-time employment in the Canadian economy, which he attributes to growing labour shortages causing employers to shift part-time workers into full-time positions.¹²³ Section 6.4 will show that the nonprofit sector, especially in small and medium sized organizations, has higher levels of part-time and temporary employment than other sectors. Further, McMullen and Schellenberg point out that the nonprofit sector may provide a source for human resources for other sectors, as it has a highly educated labour pool suitable for public and for-profit employers in an increasingly knowledge-based economy.¹²⁴

Rewarding work in other sectors with more attractive extrinsic factors could make the labour market environment for nonprofits even more competitive. An added impediment to attracting and retaining younger workers in low wage sector work is the cost of higher education. Students leave school bearing much higher levels of debt than previous generations. Securing better paying jobs earlier in their careers is a natural incentive to

¹¹⁸ McMullen and Schellenberg. *Job Quality in Non-profit Organizations*, p. 47.

¹¹⁹ Hunsley. "Work-Life Balance in an Aging Population," p.8.

¹²⁰ Philip Cross. "Emerging Patterns in the Labour Market: A reversal from the 1990s." *Canadian Economic Observer*, Statistics Canada – Catalogue no. 11-010 (February 2006), p. 3.9-3.12.

¹²¹ *Ibid.*, p. 3.12.

¹²² Statistics Canada. "Youth in Transition Survey: Update of the education and labour market pathways of young adults," *The Daily* (July, 2006).

¹²³ Cross. "Emerging Patterns in the Labour Market: A reversal from the 1990s," p. 3.8.

¹²⁴ McMullen and Schellenberg. *Job Quality in Non-profit Organizations*, pp. 49-50.

graduating students wanting to escape the burden of debt acquired during their school years.¹²⁵

6.2.3 Competitive Strategies for Maintaining a Strong Workforce in the Sector

Given existing job conditions in the nonprofit human services and the spectre of a more competitive labour market, it is wise to discuss and develop sectoral strategies in order to maintain and reinforce a strong human resource base. Some possibilities include:

- Forming a sector-wide consortium or collaborative to achieve the critical mass required to encourage a carrier to provide improved employee benefit packages, or perhaps to form an independent co-operative for that purpose. Larger agencies could be helpful to the rest of the sector if they would participate in such an initiative.
- Providing continuing education support for employees in the sector. Nonprofit employees are highly oriented to training and education to upgrade their skills.¹²⁶ Across all establishment sizes and occupations, a more coordinated sectoral training strategy could be developed that would support continuous learning opportunities for employees. Also, it is noticeable that most of the postsecondary education among Halton agencies' direct service workers is at the community college certificate or diploma level (Figure 12). Subsidy programs supported by the federal and provincial governments as part of a human capital development strategy could assist direct service workers to acquire university level educations through part-time studies. This could be an incentive for employees to stay and work in the nonprofit sector at least for the study period and may also attract new younger workers to employment in the sector.
- One way for the federal and provincial governments to support and maintain the vitality of the sector would be to encourage new graduates to work in the sector by exchanging several years of employment with forgiveness of their student debt. Similar programs have been designed to provide incentives for medical graduates to start their practices in under-served rural communities. The benefit of debt relief over a period of several years in return for working in the sector could help reduce the wage differential that prevails between the nonprofit sector and the for-profit and public sectors, especially at the direct service levels.

¹²⁵ The current estimate is that students graduate from a four year undergraduate program with \$20,000 owing in debt.

¹²⁶ Kathryn McMullen and Grant Schellenberg. *Skills and Training in the Non-Profit Sector*. Series No|3 on *Human Resources in the Nonprofit Sector*, (Ottawa: Canadian Policy Research Networks, March 2003), p. 36. Halton agency survey respondents report that almost half of their employees received training in the last year (Section 3.4.5). This is about 20% higher than the job-related training participation rate for adult workers in 2005 as reported by Canadian employers according to Mark Goldenberg. *Employer Investment in Workplace Learning in Canada*. Discussion paper prepared for the Canadian Council on Learning (Ottawa: Canadian Policy Research Networks, 2006), p. ii. Further, as shown in Table 3.7, three-quarters of Halton agencies commit core operating dollars to training for their employees, far more than any other sources of external or other funding.

- Further study is needed on the differential in the wage and non-wage benefits between nonprofit and public sector human service employment. As more has been expected of the nonprofit sector in the last 15 years of downloading, there is a public interest in its strength and capacity to perform its role in the community and the economy. Joint public and sectoral strategies should be developed to address the competitiveness of the nonprofit sector in the labour market based on good comparative research on the positions and compensation systems in the two sectors.
- All the above and additional components should be integrated into a “career pathway” strategy for recruiting and supporting employees in the sector.

6.3 Engaging the Workforce of the Future

The employment base of Halton nonprofit human service agencies is mostly in its prime working years, well-educated and led by an experienced management component. As already discussed, there is growing competition for skilled human resources from both the public and for-profit sectors. Therefore, it is important to develop and implement strategies organizationally and sectorally to maintain a strong employment base in the nonprofit human services.

It is also important to attract new workers into the nonprofit workforce and to rejuvenate it at the front end. Therefore, the Halton nonprofit human service sector needs to appeal to young people entering the workforce. This is also an opportunity to increase the diversity of Halton’s nonprofit workforce as the community itself becomes more racially and culturally mixed.

6.3.1 Attracting Youth to Nonprofit Human Service Employment

Previous labour force studies in Ontario have identified the imperative of both attracting younger people to and keeping them in the nonprofit workforce.¹²⁷ In section 3.2.2 of this report, it is noted that only 7.1% of the responding Halton nonprofit human services employees are 25 years of age and under, only half the rate (14.5%) that this age group represents in the Halton workforce overall.

In terms of broader youth engagement for potential future employment, section 4.2.2 of this report shows that 16% of the Halton agencies’ volunteer base is composed of youth 18 years and under and another 14% is 19 to 30 years old, which seems to be a strong representation of younger volunteers. The latest national survey of volunteers, however, reports that youth aged 15 to 24 years have the highest volunteer rate of all age groups (55%).¹²⁸ Are nonprofit human service agencies in Halton benefiting from this high volunteer rate and securing a reasonable share of youth voluntarism in the region?

¹²⁷ Centre for Community Leadership. *Niagara Voluntary Sector Labour Force Study*, p. 31.

Daya et al. *London’s Voluntary Sector Employment and Training Needs Study*, p. 12.

¹²⁸ Hall et al. *Caring Canadians, Involved Canadians* (2006), p. 34, Table 2.2.

There is evidence of some limitations in the breadth and depth of youth involvement in the Halton nonprofit human services sector. Just three of the 75 survey responding agencies account for more than three-quarters (77.3%, see Figure 29) of the 18 and under youth volunteers and almost 60% of responding agencies report having no youth volunteers (see Figure 30).

The preceding concerns about youth engagement in Halton agencies may be partially offset by another indicator in the survey response: the use of students. Three-quarters of responding agencies (75.4%) use secondary school students in the Ontario School Community Involvement Program (see Table 21). Almost three-quarters (73.5%) also take college and university placement students. More than half (53.6%) use co-op program students (see Table 21).¹²⁹ Table 27 below indicates that the use of students from these sources is not limited to large agencies, although agencies with under \$100,000 in revenue do show less take-up of co-op and college/university placement students than agencies at higher revenue levels and higher use of students for the School Community Involvement Program.

Table 27: Halton Agency Respondents' Use of Students from Different Sources

Agency's Total Revenue	Agencies Using Student Engagement Programs					
	School-Community Involvement		College/University Student Placements		Co-Op Student Programs	
	No.	%	No.	%	No.	%
\$0-\$99,999 (N=20)	14	70.0	9	45.0	5	25.0
\$100,000-\$499,999 (N=17)	10	58.8	13	81.3	12	70.6
\$500,000-\$1,999,999 (N=18)	14	77.8	17	94.4	10	55.6
\$2,000,000-\$9,999,999 (N=7)	7	100.0	6	85.7	4	57.1
\$10,000,000 and higher (N=3)	3	100.0	3	100.0	3	100.0
TOTALS	48	73.8	48	73.8	34	52.3

Volunteering should be a competitive advantage for the nonprofit sector when it looks to the labour market to rejuvenate its workforce. The two reasons most frequently cited by Canadians for volunteering are “to make a contribution to the community” (92%) and “to use skills and experiences” (77%).¹³⁰ These personal motivations are directly consonant

¹²⁹ It is acknowledged that not all college and university students necessarily fall into the 25 years of age and under category, but generally they tend to be at the younger end of the age continuum.

¹³⁰ Hall et al. *Caring Canadians, Involved Canadians* (2006). p. 41, Table 2.11.

with the mission orientation of nonprofit work and the sector's need for skilled human resources.

The competition for younger workers in the broader labour market is increasing as the knowledge economy develops and a growing labour shortage is forecast. Young people are recognizing the skill requirements necessary for working in the knowledge economy.¹³¹ More young people are pursuing postsecondary education. In four years from 1999 to 2003, the proportion of people between 22 and 24 years of age with some postsecondary education increased from 62% to 76%.¹³²

Competition for a fair share of younger workers will necessitate responsiveness to what they are looking for in their work lives. A survey in 1997 of Canadian university students found that the top two factors in their career choices were interesting work and competitive salary/compensation.¹³³ The survey noted that students under 25 years of age were:

primarily motivated to obtain a university degree to get a job, followed by personal development, a higher salary, a change in jobs or careers, because promotions are restricted without a degree, and a change in sector of employment.¹³⁴

The further down the list that “higher salary” falls as a motivating factor, the better the prospects for the nonprofit sector to compete for young workers, not that improving compensation packages in the sector should be ignored.

Another study of management students with experience in paid summer work in the nonprofit sector also provides information on how to attract younger workers. Participants were impressed by the commitment of workers in the nonprofit sector. They also valued the flexibility and responsiveness of the sector compared to the public sector, as indicated by the following:

Because of the small size of many voluntary organizations and their close proximity to the communities they work with, they are able to respond quickly to pressing social issues and to adapt more easily to changes in the environment. It should be noted, however, that participants who worked for larger, more bureaucratic organizations did not experience such a high degree of flexibility.¹³⁵

¹³¹ McMullen and Schellenberg. *Job Quality in Non-profit Organizations*, p. 12.

¹³² Statistics Canada. “Youth in Transition Survey,” p. 1.

¹³³ Jennifer L. Smith and Susan Snider. *Facing the Challenge: Recruiting the Next generation of University Graduates to the Public Service*. Executive Summary (Ottawa: Public Service Commission of Canada, 1998), p. 3.

¹³⁴ *Ibid.*, p. 6.

¹³⁵ Community Experience Initiative. “Attracting the Next generation of Voluntary Sector Leaders: learning from the CEI Experience.” CEI Alumni Weekend Workshop, Developing Human Resources in the Voluntary Sector, Montreal, (October 2003), p. 4.

The ideal job attributes that the young management student participants identified in the voluntary sector were:

challenging; supports continuous learning on the job; fosters a spirit of innovation and creativity among employees at all levels; provides opportunities for promotion; provides meaningful work that has a positive impact on society; provides opportunities to be mentored and to mentor; allows employees to see the impact they're making; involves a variety of work; involves being recognized by the organization for work well done; and has organizational values that align with personal values.¹³⁶

The participants' desires for their future employment included being able to move freely from one sector to another; knowing their knowledge and skills are needed; feeling fulfilled; getting paid a decent salary; having opportunities to be promoted; and being able to connect their work to tangible results.¹³⁷

A more recent survey of 30,000 students on 143 postsecondary campuses across Canada finds that "opportunity for advancement" is the most frequently identified attribute (46%) valued by graduates in their first job. Interestingly, "initial salary" was ninth in preference (29%), behind "good people to work with" (42%), "good people to report to" (41%) and "work-life balance" (37%).¹³⁸ These more intrinsic job factors would seem to be encouraging for the nonprofit sector's prospects in terms of attracting and recruiting university and college graduates.

Actually, the campus survey results do show significant graduate interest in working in the public rather than the private for-profit sector. One out of ten students select the "social services" as the industry in which they would "most like to start their careers" and almost as frequently students choose the "not-for-profit" sector (9.3%) as their first job preference.¹³⁹ The social services and not-for-profit industries rank ninth and twelfth respectively in a list of 20 preferred industries for starting their careers. Notably, education (21.9%) and health care (19.9%), which are related to the nonprofit human services sector, are the top two choices for starting careers, ahead of employment in the more commonly private sector industries such as advertising/marketing, financial services, computer software, law, media/publishing, etc.¹⁴⁰

Strategies for attracting, introducing and supporting younger people to take employment and build careers in the nonprofit human services sector could include the following:

¹³⁶ Ibid., p. 9.

¹³⁷ Ibid., p. 11.

¹³⁸ Eric Pooley. "Hire education." *Canadian Business*. (Toronto: Rogers Publishing Ltd., September 2006), p. 122. The article reports on a survey produced by D-Code, *From Learning to Work: Campus Recruitment Study*.

¹³⁹ Ibid., p. 122.

¹⁴⁰ Ibid., p. 122.

- Marketing the sector on the basis of its contribution to community well-being, the opportunity to develop and use skills, to have flexible work arrangements and to gain valuable training and experience from service professionals.
- Reaching out more effectively and systematically into secondary and post-secondary school systems to promote the sector and its employment and career opportunities.
- Integrating and supporting existing student involvement and placement programs at the secondary and postsecondary levels more intentionally as part of a sectoral human resource development strategy. For example, providing more infrastructure and administrative support for the School-Community Involvement Program so that students are more carefully guided into placements, mentored or supported more closely in the fulfillment of their community involvement hours, and provided evaluative feedback that is useful to them in terms of possible future career choices.
- Developing a sectoral approach to recruiting and supporting youth in volunteer activity.
- Providing student loan forgiveness for postsecondary school graduates in return for several years of service in the sector combined with a training and continuous learning program that would encourage and support new recruits to establish and pursue a career path in the sector.

Lack of resources impedes many especially smaller and mid-size agencies in the nonprofit human services from attracting new young workers on the basis of competitive wages and non-wage benefits. There is evidence, however, that other intrinsic factors about the sector and its work appeal to young people. As noted earlier, when the gap between the extrinsic (e.g., wage levels and benefits) and intrinsic gets too wide, the former will prevail, especially in the more competitive environment of a labour shortage.

The sector's major problem with respect to taking advantage of its intrinsic strengths is that few agencies have the internal infrastructure to devote to human resource development. Active, strategic recruitment of young workers, nurturing young volunteers into considering careers in the sector, providing evaluative feedback and ongoing learning and training opportunities to both employees and volunteers, all require organization and concentrated effort. There are few agencies with the capacity to do so rigorously. This suggests the need for sectoral strategies developed and implemented at the regional level (e.g., a human resources council for the nonprofit sector) available to all agencies small and large.

It is not just in the nonprofit sector's interest for a more strategic human resource development approach in the recruitment of young workers. This is important in terms of the broader human and social capital benefits for society at large. The contributions of the nonprofit sector socially, economically, and culturally to community well-being are undeniable. Both governments and business are stakeholders in the continuing health and vitality of the nonprofit sector, especially with respect to the opportunities for work and career development that it offers young Canadians. Therefore, governments and business should participate in supporting the creation of the human resource development

infrastructure that the nonprofit sector requires to develop and implement the preceding ideas.

6.3.2 Promoting Diversity in a Sectoral Human Resource Development Strategy

Sections 3.2.4 and 4.2.4 report the survey results on diversity among employees and volunteers respectively for the agency respondents. Again, this information does not come directly from employees and volunteers. Rather, agency respondents were asked to report on their knowledge of employees and volunteers who self-identify with selected characteristics.

It is interesting that 38.6% of agencies report employing workers who self-identify as people of colour and 60% of agencies have volunteers who self-identify as people of colour (see Figure 15 and Table 22). A smaller proportion of agencies (15.7%) say they employ people who self-identify as newcomers, while 35% have volunteers who self-identify as newcomers. Agency respondents estimate the number of volunteers self-identifying as people of colour at 221, which is 3.3% of the total number of volunteers reported by all agency respondents. They also indicate that 308 volunteers self-identify as newcomers, which is 4.6% of the total number of volunteers.¹⁴¹ Are Halton's findings encouraging or concerning with respect to the diversity of human resources in the nonprofit human services?

Census data for Halton indicates that about 2% of all workers were recent immigrants arriving between 1996 and 2001 and that over 8% of the workers in Halton were visible minorities.¹⁴² Figures 52 and 53 show that the overall human services sector in Halton was reflective of this degree of diversity within its workforce in 2000, although some parts of it were doing better than others. It is interesting that nonprofits serving children and families, which were major service areas among a high proportion of survey respondents (see Figure 4), reflect fairly well recent immigrants and visible minorities among their workers. Only child day care services falls slightly under the average for visible minority workers (7.7%).

¹⁴¹ National survey data indicate that 14.1% of volunteers are immigrants and Census data for 2001 identify 18.4% of volunteers are immigrants according to Katherine Scott, Kevin Selbee and Paul Reed. "Appendix 2: Portrait of Canadian Immigrants, using 2000 NSGVP data" in *Making Connections: Social and Civic Engagement Among Canadian Immigrants*. (Ottawa: Canadian Council on Social Development, April 2006) www.ccsd.ca.

¹⁴² Community Development Halton. *Halton Human Service Sector Labour Force Profile*, pp.10-11.

Figure 52: Recent Immigrants by Human Services Sector Industry Groups, Halton

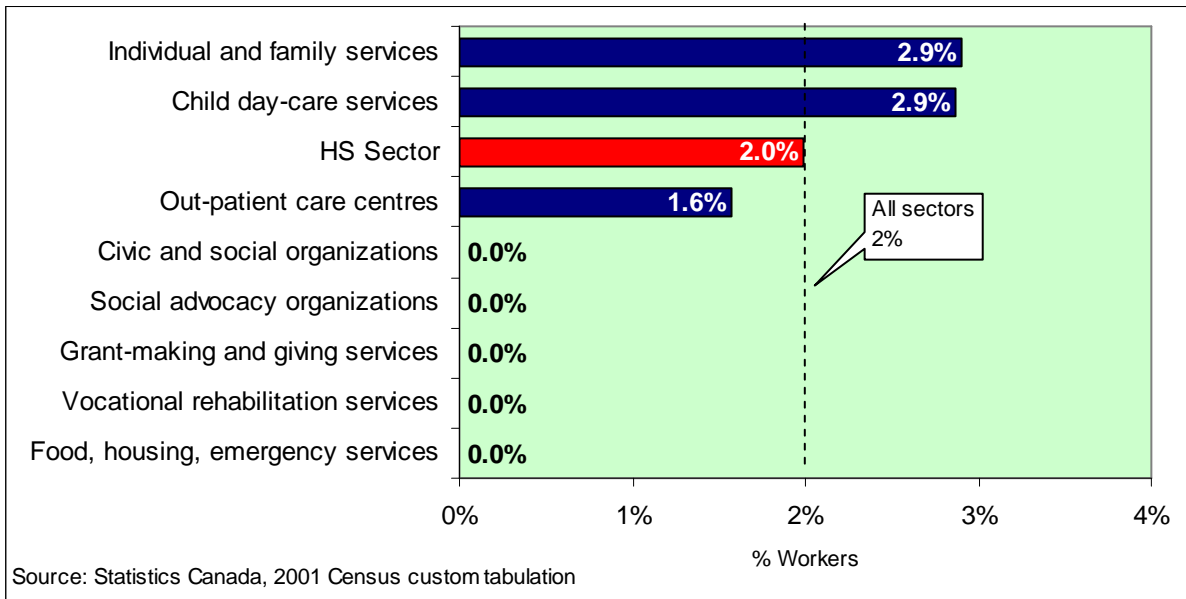
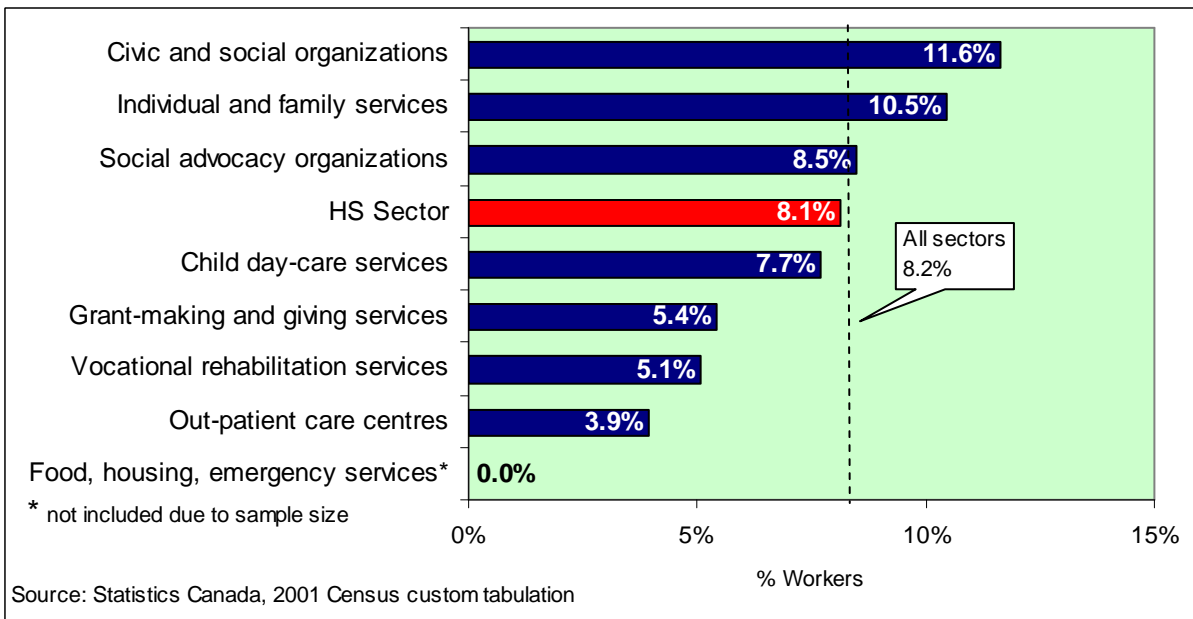


Figure 53: Visible Minority Workers by HS Sector Industry Groups, Halton, 2001



Census data for 2001 show that the workforce in Halton is primarily English-speaking with only 2% of residents speaking another language at home and only .2% of workers speaking another language at work. There are, however, 28,920 Halton residents, 9% of the total residential population, who said in the 2001 census that they spoke *both* English and one other language (other than French) at home and 4,335 who reported using English and another non-French language at work.

In terms of ethno-cultural diversity, then, it would seem that the degree to which Halton agencies reflect the working and volunteering population is not discordant with a relatively

homogeneous residential and working population in Halton. Poverty statistics, however, indicate that a higher proportion of visible minorities and immigrants are on low incomes and are therefore more likely to be using community and social services. This suggests the need for heightened sensitivity to reflecting ethno-cultural and racial diversity in staff recruitment in order to avoid a predominantly white workforce serving an increasingly diverse client base.

Further, it is important to recognize and account for the tremendous population growth and change occurring in Halton, which is expected to be demonstrated in the 2006 Census. There is little doubt that ethno-cultural and linguistic diversity in the Halton residential and working population has increased significantly since the 2001 Census.

Figure 54 indicates that Halton’s population growth between 2000-04 was 12%, the third highest rate in the Greater Toronto Area behind York (23%) and Peel (18%), and twice the Ontario average rate of population growth (6%). Over 68% of the population growth in Halton came from intra-provincial migration – people who moved to Halton from other municipalities within Ontario.¹⁴³

Figure 54: Population Growth within the Greater Toronto Area, 2000-2004

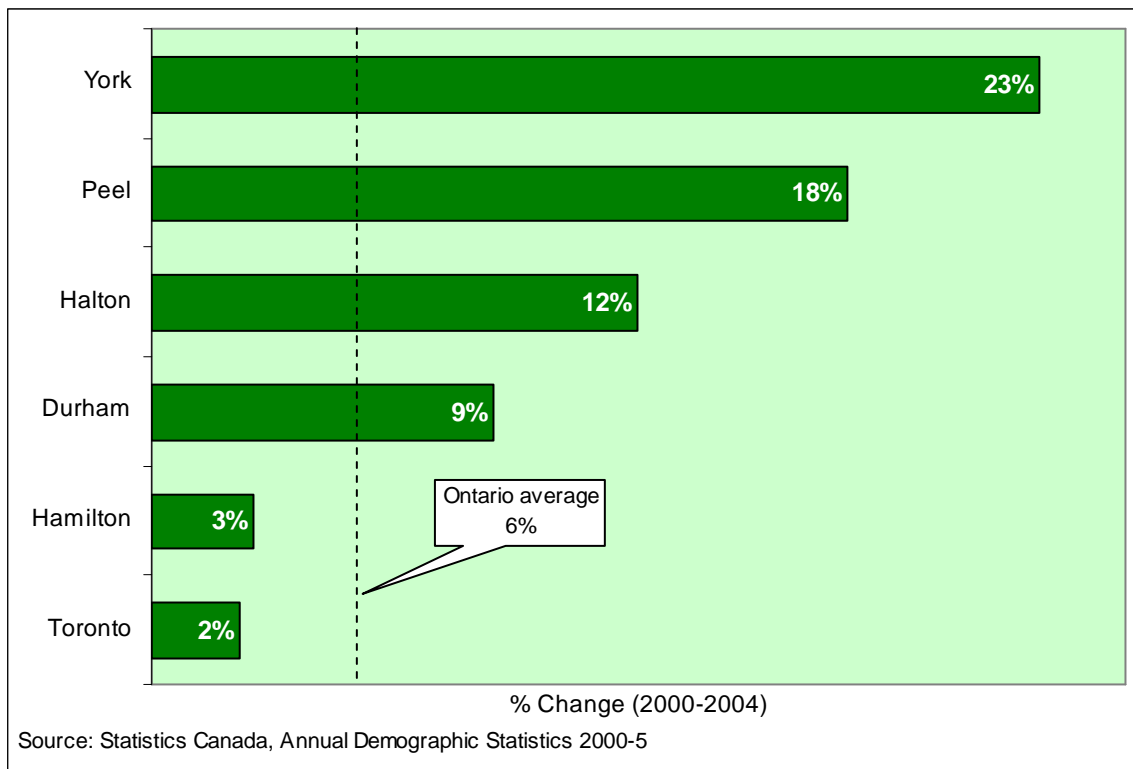


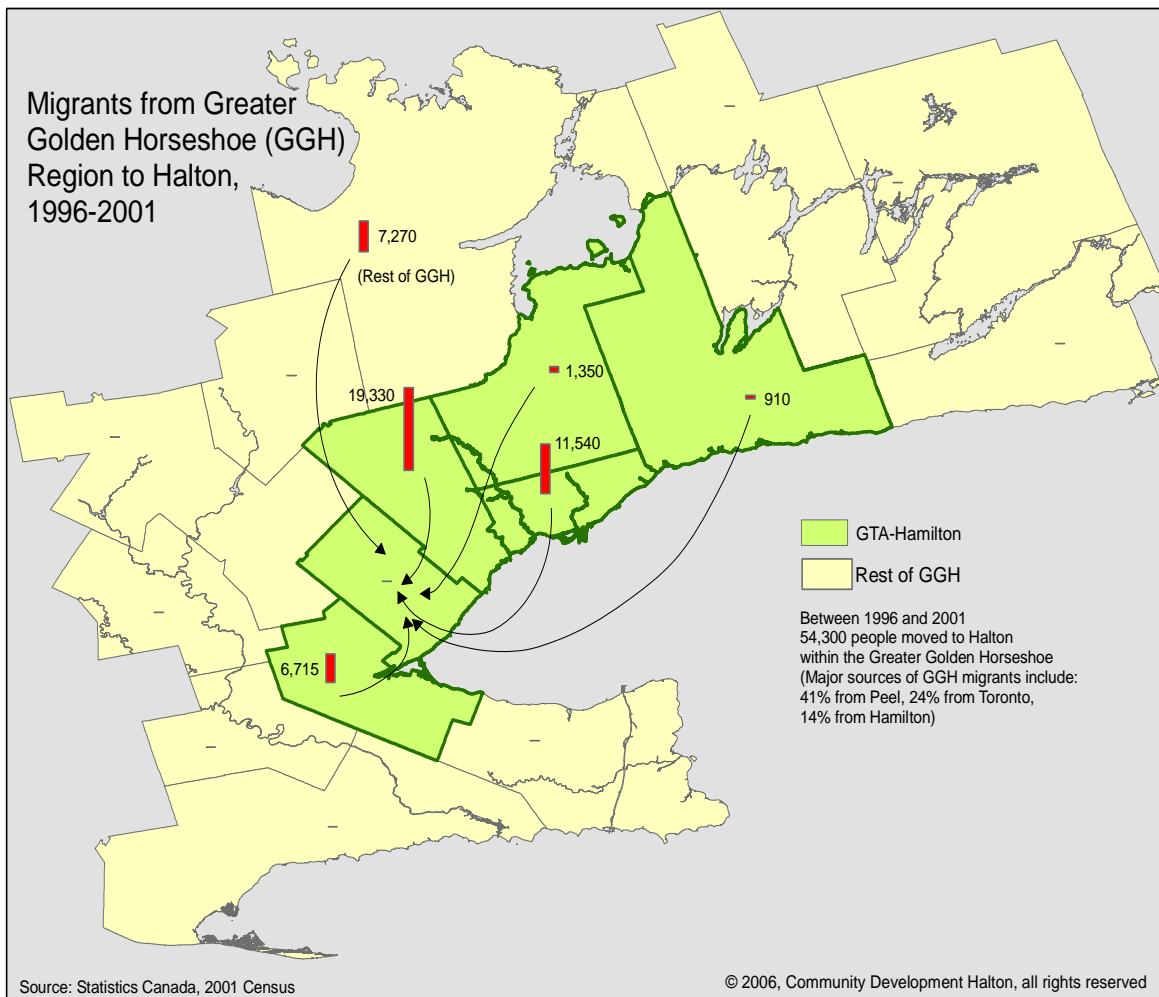
Figure 55 shows the origins of migrants who moved to Halton from other parts of the Greater Golden Horseshoe (GGH) between 1996 and 2001. About 87% of the intra-

¹⁴³ In addition to the migration sources shown in Figure 55, 32% of migrants to Halton came from other parts of Ontario and from other Canadian provinces.

provincial migrants were from the GGH region. Migrants from Peel (19,330) and Toronto (11,540) combined to make up 65% of the people from other parts of the GGH who moved to Halton.

As Toronto and Peel have very culturally and racially mixed populations, it is likely that a significant portion of their out-migration to Halton and other parts of the GTA is made up of more ethno-culturally diverse people. It is likely that this pattern of population growth has prevailed since 2001 and will be reflected in the 2006 census. Therefore, Halton will become increasingly diverse in its ethno-cultural and racial make-up as its population continues to grow.

Figure 55: Population Migration from Greater Toronto Area into Halton, 1996-2001



A more culturally diverse population poses an equity challenge to nonprofit human services in terms of culturally appropriate responsiveness to the service needs of a more diverse community. The Halton survey results indicate that 39% of Halton agency respondents have employees who self-identify as people of colour and 16% have employees self-identifying as newcomers (see Figure 15). There is no significant difference in terms of

geographic location of agencies employing these populations. Naturally, the majority are in the two largest urban centres of Burlington and Oakville; each has about an equal number of agencies reporting employees who self-identify as people of colour or as newcomers.

As diversity increases in Halton, the pressure to hire and employ more workers from diverse ethno-cultural origins will grow, both for reasons of employment equity and for the practical need to meet the service demands of a more culturally mixed population. How prepared are Halton agencies to assume this responsibility?

The Halton survey inquired whether agencies have a board-approved equity hiring policy and 70 agencies replied to the question. Forty-eight (66.7%) say they do and twenty-four (33.3%) say they do not have such a policy. Table 28 shows these results are fairly evenly spread across agency head office locations with Oakville-based agencies showing slightly higher strength on equity hiring policies (73.1%) and North Halton (where 55.5% of agencies have equity hiring policies) trailing slightly.

Table 28: Existence of Equity Hiring Policy in Halton Agency Respondents by Location of Head Office

Board Approved Equity Hiring Policy:	Location of Agencies' Head Office (N=70)									
	Burlington		Oakville		North Halton		Outside Halton		TOTALS	
	No.	%	No.	%	No.	%	No.	%	No.	%
YES	17	65.4	19	73.1	5	55.5	6	67.7	47	67.1
NO	9	34.6	7	26.9	4	45.5	3	33.3	23	32.9
TOTALS	26	100.0	26	100.0	9	100.0	9	100.0	70	100.0

Further exploration of the survey findings indicates that:

- (a) agencies serving all of Halton Region are more likely to have board-approved equity hiring policies (74.1%) than agencies serving only the municipal or community level (58.5%); and
- (b) agencies with more than ten total employees (84.3%) are more likely to have equity-hiring policies than smaller agencies with less than ten employees (52.5%).

Table 29 shows a positive relationship between agencies with Board-approved equity hiring policies and the employment of people self-identifying as people of colour or as newcomers. The co-relation is statistically significant only for the employment of people of colour; however, as the number of agencies employing people who self-identify as newcomers is relatively small.

Although a relatively small number of agencies report employing newcomers, it is notable that 21 agencies (30% of respondents) say that they hired persons with foreign educational qualifications in the last three years. Eighteen of these 21 agencies indicate that they have board-approved equity hiring policies, which suggests a particular consciousness in this

group with regard to the issue of recognizing the previous education and work experience of immigrants.

Table 29: Relationship between Equity Policy and Employment of People of Colour and Newcomers by Halton Agency Respondents

Agencies with Employees who self-identify as:	Agencies with Board-approved Equity Hiring Policy (N=65)				TOTALS	
	YES		NO		#	%
	#	%	#	%		
People of Colour:						
YES	24	55.8	7	31.8	31	47.7
NO	19	44.2	15	68.2	34	52.3
TOTALS	43	100.0	22	100.0	65	100.0
Newcomers:						
YES	10	23.3	3	13.6	13	20.0
NO	33	76.7	19	86.4	52	80.0
TOTALS	43	100.0	22	100.0	65	100.0

While the preceding suggests some positive indications in the sector about preparedness to respond to a more culturally diverse community, it would be illusory to think that this will happen without careful planning and intentional action. Recent research in Toronto, where employment equity for immigrants in the social services has been an issue for more than twenty years, shows that immigrant workers, even those with professional qualifications, experience many systemic barriers to equitable employment on the front-line, in managerial positions and with mainstream organizations.¹⁴⁴ This experience suggests the need for a more intentional and planned strategy for the recruitment of a more racially and culturally diverse workforce in Halton, which is undergoing rapid population growth and change.

Another important caution is in order with respect to the employment of a more culturally and racially diverse workforce in the nonprofit human services in Halton. There is a risk that workers from immigrant groups and racial/cultural minorities will form a larger part of the Halton nonprofit workforce in the future because of employment inequity that creates barriers to their employment in other sectors, and because they may be forced to take low wage employment, which the nonprofit sector, of course, has plenty of. This would be exactly the wrong reason for increasing diversity in the sector's workforce. It is important that the issue of poor compensation be addressed as a major issue and problem for all of its workers. A more racially and culturally diverse workforce must not result from a convenient low cost response to a labour shortage but rather from affirmative action to reflect an increasingly heterogeneous population and a commitment to respond to the social support needs of Halton's communities in culturally sensitive and appropriate ways.

¹⁴⁴ June Ying Yee, Helen Wong, and Axelle Janczur. *Examining Systemic and Individual Barriers Experienced by Visible Minority Social Workers in Mainstream Social Service Agencies*. (Toronto: Access Alliance Multicultural Community Health Centre, 2006), pp. 6-8.

6.4 The Risk of Concentration and Consolidation

The diversity of organizational forms and functions within the nonprofit sector is well documented.¹⁴⁵ In such a heterogeneous population of organizations, it can be difficult to identify patterns and trends for the purposes of learning and understanding. This is one of the reasons that the Halton Nonprofit and Voluntary Sector Labour Force Study intentionally focuses on nonprofit human services, an important subset of the larger voluntary sector.

Yet, even within the nonprofit human services, there are multiple types of organizations, complexity and diversity, all of which challenge research seeking common threads and themes for learning. One of the strongest features of the diversity of the voluntary sector in general, that is also reflected within nonprofit human services, is the wide-ranging scale of the organizations that make it up.

Tables 6 and 10 and Figure 6 in previous sections of this report illustrate clearly the scale issue in the Halton study – about 75% of the agencies share less than 20% of the total revenue in the sector and employ less than 15% of the workforce, while 25% of the agencies are much larger and together take in about 80% of total revenue to employ about 85% of the workforce.

There is both an imbalance and symmetry to this picture. It does, however, raise the question about optimum scale for operating in the nonprofit human services field. Is it better to be larger? Should resources be concentrated in fewer agencies for greater efficiencies in service delivery? Or, does a wider field of smaller and medium sized organizations ensure community responsiveness, adaptability and flexibility? Or, is there an optimal mix of small, medium and large sized organizations that ensures both effective and efficient service delivery as well as community connectedness and social innovation? What level of infrastructure (stable revenue and staff base) provides the core capacity to fulfill an agency's community and service mission?

6.4.1 Variable Infrastructure in the Sector

The voluntary sector has always played an important role in the provision of important social supports to the community even before the development of the welfare state. In the period after the Second World War, governments recognized and supported this role, providing funding to nonprofit organizations for the provision of services to complement and supplement government services. Government spending restraints and downloading policies over the last fifteen years or more have led to a greater reliance on the nonprofit

¹⁴⁵ Paul B. Reed and Valerie J. Howe. *Voluntary Organizations in Ontario in the 1990s*. Nonprofit Sector Knowledge Base Project. (Ottawa: Statistics Canada, 2000)
Michael Hall and Keith Banting. "The Nonprofit Sector in Canada: An Introduction." Keith Banting (ed.) *The Nonprofit Sector in Canada: Roles and Relationships*. (Kingston: School of Policy Studies, Queen's University, 2000).

human services sector, combining more targeted program funding to address defined needs along with higher expectations and more stringent accountability requirements for this funding.¹⁴⁶ The shift from core to program and project funding in the voluntary social and community health sector is well documented.¹⁴⁷

This funding strategy favours larger nonprofit providers with the infrastructure and capacity to expand and support service growth and development. Recent research, however, shows that even larger agencies subsidize government program funding from other sources of revenue for their core organizational costs. In an analysis of ten community service agencies in Toronto ranging from the small to large, Eakin shows that government (mostly provincial) and other program revenues fall on average 14% short of an agency's full costs to deliver funded programs. Eakin concludes that program funding is actually "*capacity draining*" on nonprofit agencies, since the nonprofit community agencies must subsidize programs not fully covered by government program funding by diverting resources from other important organizational uses including support for volunteer involvement and service innovation.¹⁴⁸

If larger organizations experience difficulty, smaller and medium sized agencies are at a more serious disadvantage. They have less infrastructure and core capacity to bear the additional costs of program funding and to handle the administrative burden of accountability frameworks applied by funders.¹⁴⁹ The lack of core funding for smaller and less well-established nonprofits is a major issue for their sustainability and even survival.¹⁵⁰ Yet, the value of small and medium size organizations is recognized in terms of addressing the specific needs of a locality or community of interest, being adaptive and responsive, promoting civic engagement, and initiating social innovations in community development and service delivery.¹⁵¹

¹⁴⁶ Canada West Foundation. "Strings Attached: Non-Profits & Their Funding Relationships with Government". *Alternative Service Delivery Project Research Bulletin* (Calgary: Canada West Foundation, 1999).

¹⁴⁷ Katherine Scott. *Funding Matters: The Impact of Canada's New Funding Regime on Non-Profit and Voluntary Organizations*. (Ottawa: Canadian Council on Social Development, 2003).

Hall et al. *The Capacity to Serve*, pp. viii-ix.

¹⁴⁸ Lynn Eakin. *Community Capacity Draining: The Impact of Current Funding Practices on Non-Profit Community Organizations*. (Toronto: Community Social Planning Council of Toronto, 2004), p. 12.

¹⁴⁹ Kathryn McMullen and Grant Schellenberg. *Mapping the Non-Profit Sector*. Research paper No|1 (Ottawa: Canadian Policy Research Networks, 2002), pp. 30-31.

¹⁵⁰ Linda Roberts. *Caught in the Middle: What small, non-profit organizations need to survive and flourish*. (Ottawa: Voluntary Sector Initiative, 2001), p. 7.

¹⁵¹ Mark Goldenberg. *Building Blocks for Strong Communities. Key Findings and Recommendations*. Research Report F|58 (Ottawa: Canadian Policy Research Networks and Imagine Canada, 2006), pp. 5- 7. Although Goldenberg defines small and medium sized organizations (SMOs) as nonprofits with less than 500 employees, he points out that 98% of SMOs have less than 100 employees and 54% have no employees (pp. 9-10).

Mark Goldenberg. *Social Innovation in Canada. How the non-profit sector serves Canadians . . . and how it can serve them better*. Research Report W|25 (Ottawa: Canadian Policy Research Networks, 2004).

6.4.2 Organizational and Financial Challenges Expressed by Small and Large Halton Agencies

There is evidence in the Halton Nonprofit and Voluntary Sector Labour Force Study of some variation in experience between smaller and larger nonprofit human services in their efforts to serve their communities. First, an appreciation of the characteristics of small, medium, and large agencies is in order. As expected, the older the agency the larger it generally is in terms of staff size and revenue levels. Table 30 combines revenue levels with median staff sizes for each level and indicates how they match up with the period of origin/incorporation of the Halton agency respondents. To summarize:

- (a) *Small Scale*: Considering a small agency to be one with less than five staff and revenue below \$100,000, only two of 33 Halton agency respondents of this small scale started prior to 1970, one of these reporting no staff. The remaining small agencies (31) started since 1970, including 19 originating in the last 15 years.
- (b) *Medium Scale*: Considering a medium agency to have between five and 25 staff and revenue levels between \$100,000 and \$2,000,000, there are 25 Halton agency respondents in this category. Four originated prior to 1970 and the remaining medium-sized agencies are almost evenly split in their period of origin, 11 in 1970-89 and 10 in 1990-2005. Notably, of those agencies that have achieved the higher staff and revenue levels, twice as many were founded in 1970-89 than in 1990-2005.
- (c) *Large Scale*: Considering a large agency to be marked by staff levels of 25 and higher and revenue levels of \$2,000,000 and higher, 17 Halton agency respondents are at this scale. Only four of these agencies originated in the last 15 years.

Table 30 also indicates that, although the funding environment since the 1990s might have been more difficult, it has not completely inhibited the birth of nonprofit agencies. About an equal number of agency respondents were founded in the 1970-89 period as in the shorter 1990-2005 period, and some have been able to grow to reasonable staff and revenue levels in the performance of their missions. Twelve of the 33 agencies starting in the last 15 years began in the 2000-05 period, although eight are well under \$100,000 in revenue, averaging \$35,400.¹⁵² Four range between \$100,000 and \$170,000 in revenue, averaging \$133,750 in total revenue.

¹⁵² Actually a thirteenth agency reports a start date in the 2000-05 period, but it is an anomaly; stating the reasons for excluding it from this period in these calculations could identify the agency and violate the condition of confidentiality for participation in the survey.

Table 30: Median Staff Sizes & Revenue Levels by Period of Origin/Incorporation of Halton Agency Respondents

Median Staff Size	Period of Origin/Incorporation (No. of Agencies)				Revenue Levels Generally Corresponding with Staff Sizes ¹⁵³
	Pre-1970	1970-89	1990-2005	Total	
None	1	1	3	5	\$0-\$99,999
1 to 4	1	12	16	29	
5 to 9	1	3	6	10	\$100,000-\$499,999
10 to 24	3	8	4	15	\$500,000-\$1,999,999
25 to 99	3	7	4	14	\$2,000,000-\$9,999,999
100+	2	1	0	3	\$10,000,000+
TOTALS	11	32	33	76	

There are some interesting differences, according to periods of origin, among agency responses to the open-ended question about major financial challenges facing the organization over the next five years. Table 31 shows that agencies started in the last 15 years are primarily concerned about the lack of core funding (59.3%), while established agencies started prior to 1970 are worried about meeting demands for growth and innovation (66.7%). About an equal proportion of agencies originating before 1970 (44.4%) and during 1970-89 (43.3%) state that funding for maintaining their human resource base will be a major challenge in the next five years.

Table 31: Major Financial Challenges in Next Five Years of Halton Agency Respondents by Period of Origin/Incorporation

Major Financial Challenge	Period of Origin/Incorporation						TOTALS	
	Pre-1970		1970-89		1990-2005		All Agencies	
	No.	%	No.	%	No.	%	No.	%
Need for Core Funding	3	33.3	8	26.7	16	59.3	28	36.0
Service Quality/growth/Innovation	6	66.7	9	30.0	7	25.9	22	28.0
Funding for Human Resources	4	44.4	13	43.3	5	18.5	22	31.0

Some of these differences are reinforced in the agency response to the open-ended question on major *organizational* challenges anticipated in the next five years. Eight of the nine (88.9%) agencies originating prior to 1970 articulate funding/financial issues in conjunction with meeting growing service demands as the primary challenges to their agencies. Younger agencies started since 1990 also express funding/financial issues as

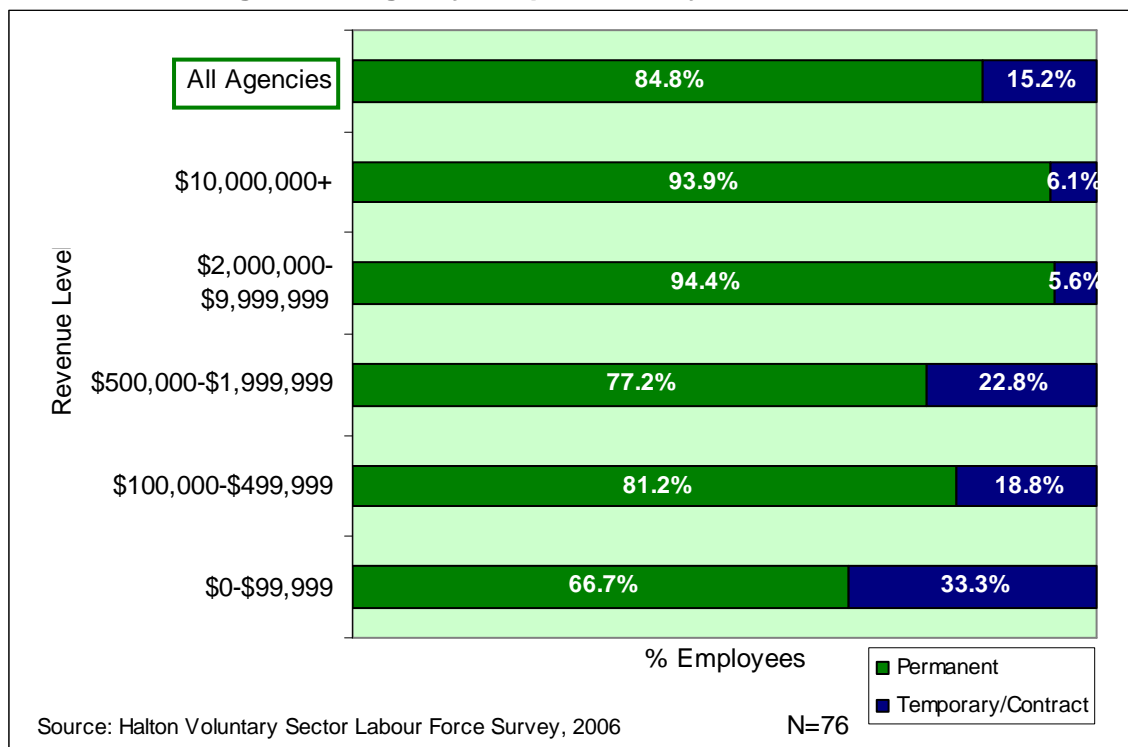
¹⁵³ Median staff size in the left hand column of Table 30 indicates the ranges within which the actual median total staff sizes fall for organizations with the corresponding total revenue levels in the right hand column of the table.

their primary concern (77.4%), but they also identify lack of adequate or suitable space, facilities and equipment (i.e., basic operational infrastructure) as a major organizational challenge (38.7%) more frequently than do the agencies in the other periods of origin.

6.4.3 Smaller Agencies and Non-Standard Employment

Figure 18 in the section on paid employees has already pointed out the variation by staff size among the surveyed agencies in terms of non-standard work (i.e., temporary versus permanent jobs and part-time versus full-time jobs).¹⁵⁴ This is replicated, of course, when agencies are differentiated by revenue level. Figure 56 suggests that, for direct service workers, which constitute 74% of the total respondent workforce, the \$2 million revenue mark seems to be a critical point in terms of standard versus non-standard employment among Halton nonprofit human service agencies. Below \$2 million in total revenue, temporary and contract work for direct service workers ranges from 18.8% to 33.3%, compared to the 5.6% to 6.1% range for agencies with revenues above \$2 million.

Figure 56: Permanent and Temporary/Contract Employment of Direct Service Staff Among Halton Agency Respondents by Total Revenue Level



¹⁵⁴ Guylaine Vallée offers a clear definition of “non-standard workers” as “people whose work situation does not match the standard of full-time, salaried employment for an indefinite duration with a single readily identifiable employer on company premises.” Guylaine Vallée. *Towards Enhancing the Employment Conditions of Vulnerable Workers: A Public Policy Perspective*. Vulnerable Worker Series No2 (Ottawa: Canadian Policy Research Networks, March 2005), p. iii.

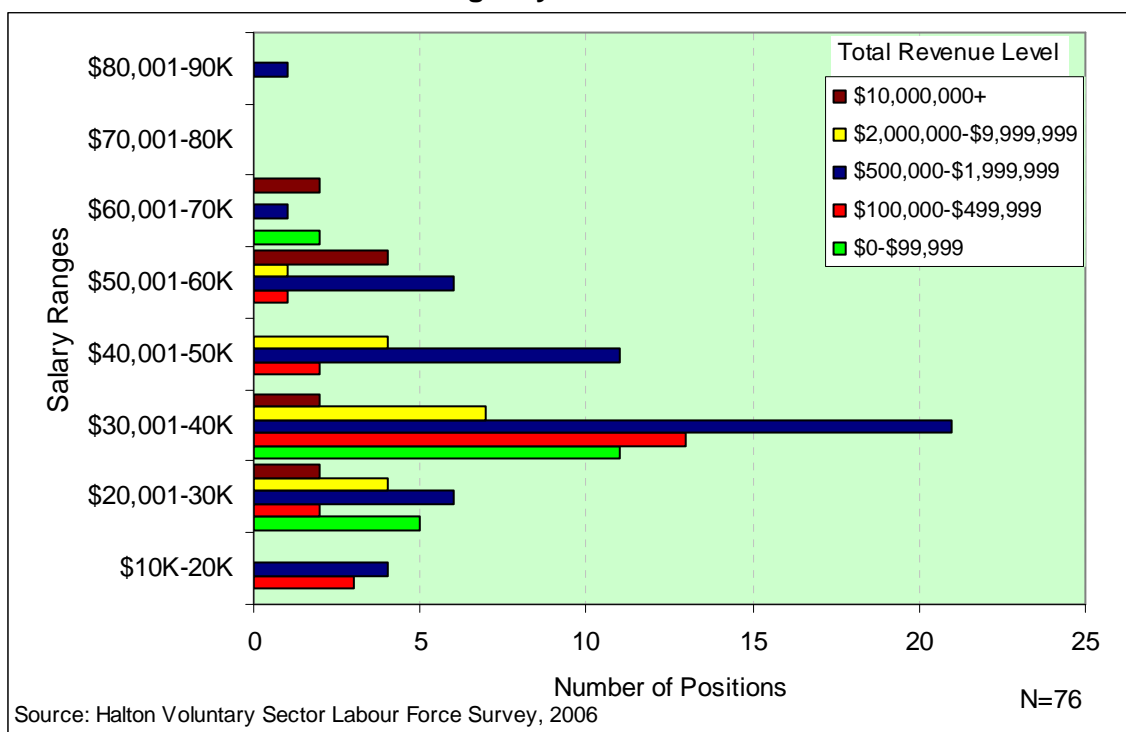
The patterns are more variable for part-time versus full-time employment across revenue levels except that part-time employment for agencies at the \$10 million and higher revenue level for direct service workers is 30.9% for direct service workers, 3.2% less than the average part-time employment for this occupational group across all revenue levels (34.1%).

6.4.4 Compensation Differences between Small and Large Agencies

Section 3.4.3 clearly establishes the Halton nonprofit human services as a low wage sector. The median income for all positions that agency respondents report is in the \$30-\$40,000 range, which is primarily determined by direct service positions (see Figure 21), constituting 74% of the agency workforce.

Figure 57 does show some variation in salary levels for direct service positions by the level of revenue for nonprofit human service agencies. With a few exceptions, agencies below \$500,000 in total revenue have direct service positions salaried at \$30-\$40,000 and lower, while agencies at revenue levels of \$500,000 and higher get into higher salary ranges for direct service positions, which rarely exceed the \$60-\$70,000 range.

Figure 57: Salary Ranges for Halton Agency Respondent Direct Service Positions by Total Agency Revenue Levels



Coverage for a range of employee benefits also varies by revenue level. Table 32 shows the employee benefits provided by agency respondents in descending order of coverage. Benefit coverage is colour-coded by quartile. As expected, the pattern clearly shows that agencies with higher revenues provide more employee benefits. It is clear, however, that

agencies with revenues less than \$100,000 provide coverage in the lowest quartile, well below the all agency average of 44.3%. The employee benefits that they do provide require little direct costs or employer contributions.

Agencies at revenue levels of \$2 million and higher provide benefits averaging in the third and fourth quartiles, with all of these agencies covering important areas such as health, dental and life insurance plans. Agencies with revenue at \$10 million and higher provide employee benefits (85.5%) at almost twice the average for all Halton agency respondents (44.3%).

Table 32: Employee Benefit Coverage among Halton Agency Respondents by Total Agency Revenue Levels (N=75)

Employee Benefits	Percent Coverage by Total Agency Revenue Levels					
	\$0-\$99,999 (N=20)	\$100,000-\$499,999 (N=16)	\$500,000-\$1,999,999 (N=22)	\$2,000,000-\$9,999,999 (N=8)	\$10,000,000 and higher (N=3)	All Revenue Levels (N=69)
Paid Vacation	60.0	87.5	81.8	87.5	100.0	78.3
Mileage for Work Travel	55.0	68.8	86.4	100.0	100.0	75.4
Sick Leave	55.0	81.3	81.8	87.5	100.0	75.4
Training/Professional Development	50.0	75.0	68.2	100.0	100.0	69.6
Bereavement Leave	40.0	62.5	81.8	87.5	100.0	66.7
Time-off for Overtime	35.0	68.8	68.2	87.5	100.0	62.3
Health Services Plan	15.0	68.8	90.9	100.0	100.0	65.2
Dental care Plan	15.0	50.0	86.4	100.0	100.0	59.4
Life Insurance	15.0	62.5	77.3	100.0	100.0	59.4
Long-Term Disability	15.0	56.3	81.8	87.5	100.0	58.0
Flexible Work Hours	45.0	43.8	50.0	75.0	100.0	52.2
Parental Leave	25.0	37.5	59.1	75.0	100.0	47.8
Accident Insurance	15.0	31.3	59.1	37.5	100.0	39.1
Family Leave	25.0	18.8	50.0	62.5	100.0	39.1
Vision Care Plan	10.0	25.0	59.1	75.0	66.7	39.1

Employee Benefits	Percent Coverage by Total Agency Revenue Levels					
	\$0-\$99,999 (N=20)	\$100,000-\$499,999 (N=16)	\$500,000-\$1,999,999 (N=22)	\$2,000,000-\$9,999,999 (N=8)	\$10,000,000 and higher (N=3)	All Revenue Levels (N=69)
Short-term Disability	10.0	37.5	36.4	37.5	100.0	31.9
RRSP Employer Contribution	15.0	25.0	45.5	37.5	33.3	30.4
Education Leave	25.0	12.5	27.3	62.5	66.7	29.0
EAP	5.0	12.5	18.2	37.5	100.0	18.8
Retirement Plan	0.0	0.0	13.6	37.5	100.0	13.0
Child Care Plan	10.0	0.0	0.0	0.0	33.3	4.3
Eldercare Plan	0.0	0.0	4.5	0.0	33.3	2.9
Fitness/Recreation Program	0.0	0.0	0.0	0.0	33.3	1.4
Average Agency Coverage	23.4	40.2	53.4	64.1	85.5	44.3

Between the low and the high ends of the benefit spectrum, 22 agencies with revenues in the \$500,000 to under \$2 million range provide coverage averaging just over half of the benefit areas listed (53.4%). Eight agencies in the \$2 million to \$10 million revenue level do better averaging 64.1% coverage of the listed benefits. It may be that core capacity for more satisfactory employee supports rests somewhere in this revenue range of \$2 million.

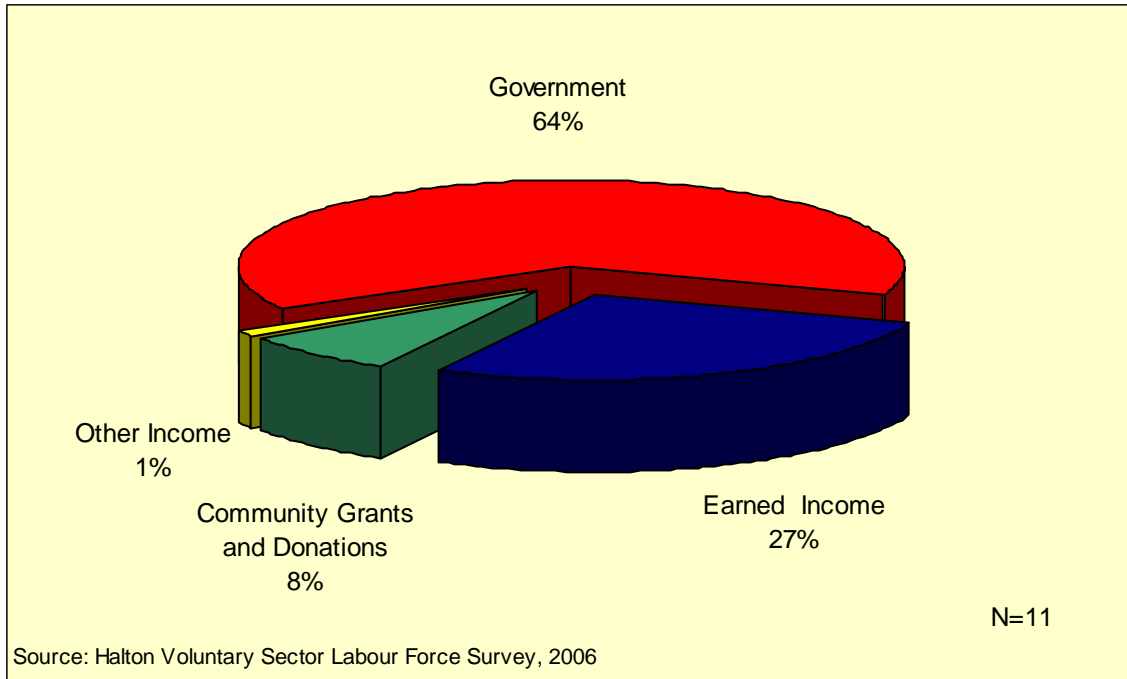
As illustrated earlier (Table 17), agencies report that retaining a qualified workforce with decent wages, benefits and working conditions is the most important challenge related to their paid employees in the next five years. Small and medium sized agencies would seem to be at a particular competitive disadvantage in retaining and supporting a competent employee base both within the sector and in the larger marketplace.

6.4.5 Considerations for More Equitability within the Sector

A final important distinction between the lower and higher revenue ends of the nonprofit human services spectrum in Halton is the primary source of revenue. In Section 2.4.1 of this report, Figure 5 shows that 60% of all the revenue for the Halton agency respondents is from government, primarily the provincial government (see Table 5). Earned income from fees or sales of goods and services, investments, memberships, etc. is the next major source of revenue at 27% and community grants, fundraising and donations from individuals, corporations, fund raising and grant transfers from other charitable funders such as United Ways makes up 12% of total revenue.

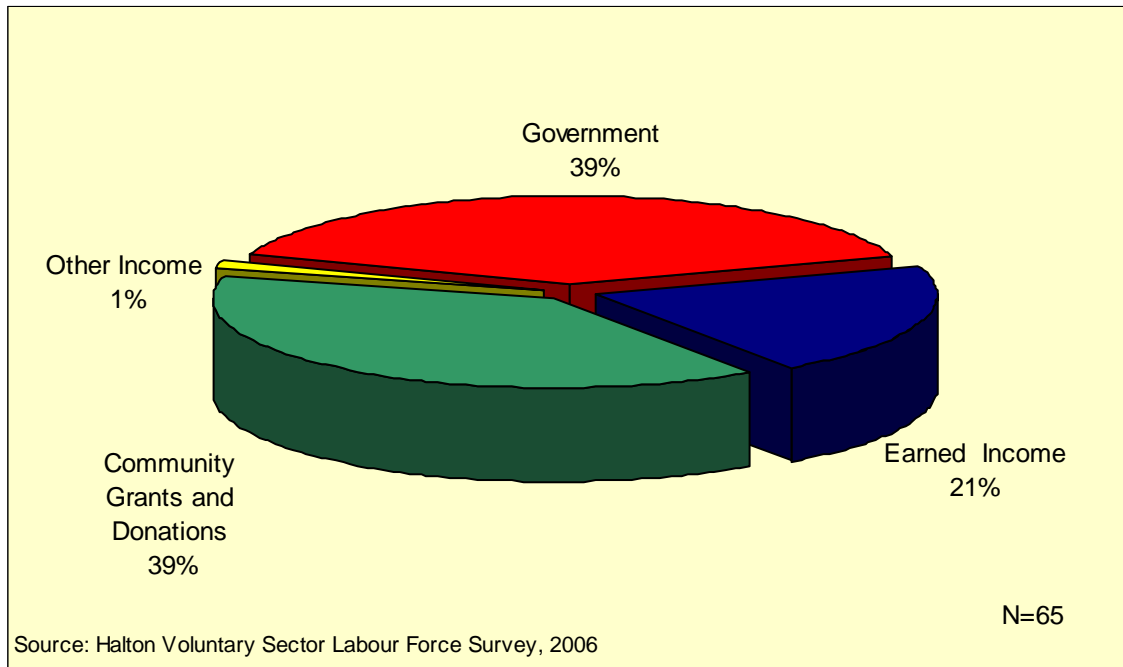
Figure 58 breaks out the eleven largest agency respondents each with total revenues of \$2 million or higher.¹⁵⁵ These eleven largest agency respondents account for \$66.3 million of total government revenue (again mostly provincial funding), which constitutes 64% of their combined total revenues. They generate 27% of their revenue from earned income and rely much less on community grants, fundraising and donations as a share of their total income (8%).

Figure 58: Major Sources of Revenue of Halton Agency Respondents at Total Revenue Levels of \$2 Million and Higher



¹⁵⁵ Four are at the \$2 million to \$4,999,999 revenue level, another four are at the \$5 million to \$9,999,999 level and the remaining three are at the \$10 million and higher level.

Figure 59: Major Sources of Revenue of Halton Agency Respondents at Total Revenue Levels of up to \$2 Million



The share of revenue sources for the remaining 64 small and mid-size agency respondents at the under \$2 million revenue is reflected in Figure 59. Their total revenue from government makes up only 39% of their combined income, which is equivalent to revenue generated from community grants, fundraising and donations. They raise 21% of their revenue from earned income.

Whatever the vagaries of government funding to the human services sector (such as, increasingly program and project rather than core funding), smaller and mid-size agencies are not able to access it as readily as are larger multi-million dollar organizations. Although the smaller and medium size agencies have less infrastructure, they must generate 60% of their income from fund raising, grants, fees for service, and other forms of earned and donated income. Given the number of agencies at the lower and middle range there is a lot of competition for the limited resources from these other sources.

There is no standard formula for distributing government and other available funding equitably to all organizations in the sector, nor would that be desirable. Nonprofit human services are necessarily heterogeneous and diverse. But there may be a way to begin to define what makes up “core capacity” and “basic infrastructure” that creates the conditions for some degree of stability for smaller and medium size agencies. Depending on the nature of the agency and the scale of its work, smaller agencies might aspire to the \$500,000 revenue benchmark, while mid-size agencies might establish relative stability somewhere between the \$500,000 and \$2,000,000 revenue level.

Figure 60: Relationship between Halton Agency Respondents and Share of Total Sector Income by Revenue Levels

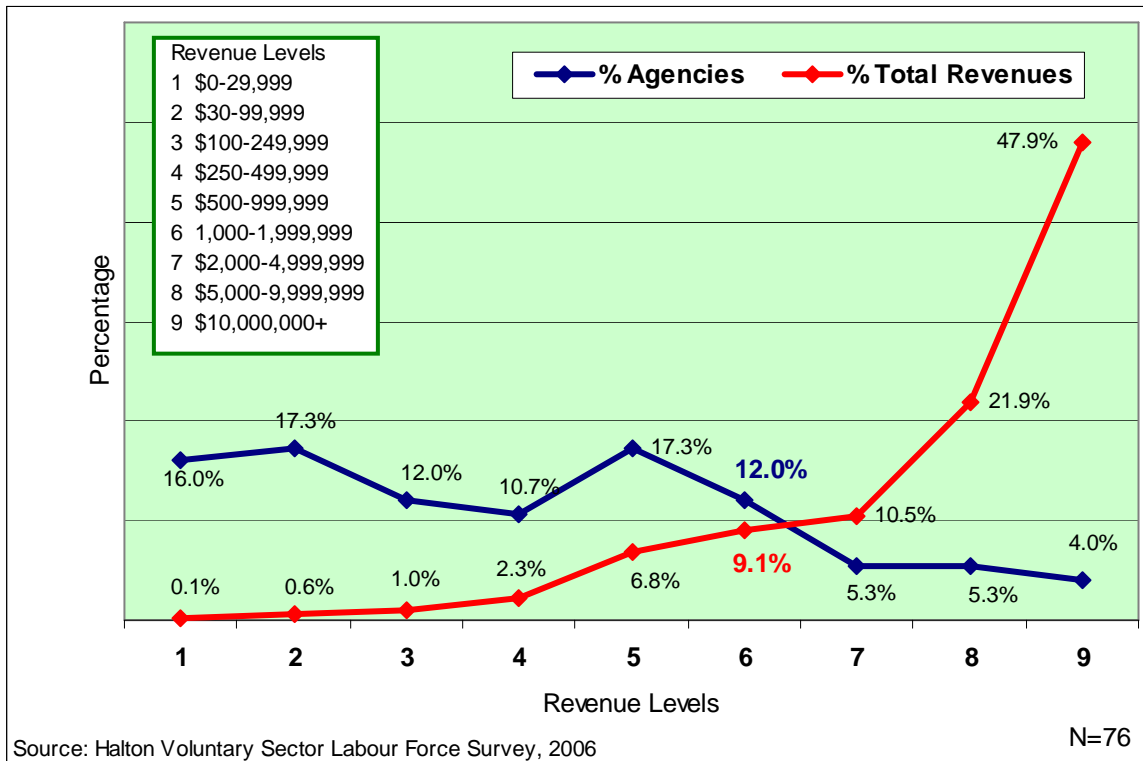


Figure 60, which is a more detailed representation of Table 6, shows the distribution of total revenue to agencies, grouped by their revenue levels. Interestingly, the level at which the share of overall revenue in the system matches the proportion of agencies at a certain total revenue level is the \$1 million to \$2 million revenue range. As highlighted in Figure 60, 12.0% of agencies share about 9.1% of the total revenue to the sector. These agencies are in the \$1 million to under \$2 million revenue range. This is as close to equitability as the Halton agency-revenue distribution gets.¹⁵⁶

6.4.6 Balancing the Service Delivery Mission with the Community Development Mission of the Sector

The heavily weighted revenue distribution picture clearly shows that governments and especially provincial government departments favour funding larger agencies over smaller and medium sized agencies. Larger scale nonprofit human services have established themselves well as reliable transfer payment agencies for providing essential social supports to individuals, families and communities. The provincial government in particular

¹⁵⁶ Scott's analysis of the entire nonprofit sector in Ontario (i.e., not just human services) in the NSNVO finds that the equitability point is between the \$500,000 to \$999,999 revenue level, where 7% of nonprofit organizations have 7% of the total income in the sector. See Scott et al. *The Nonprofit and Voluntary Sector in Ontario*, p. 15, Figure 9.

takes advantage of the service delivery role of larger agencies and of their infrastructure and capacity to fulfill the service delivery role.

There are, however, several implications of this funding pattern for the health and vitality of the nonprofit human services sector. First, the sector is at risk of becoming merely the proxy service provider for government. While the sector can be proud of its demonstrated record of efficient and effective service delivery, it is also important to recognize its role in promoting civic mindedness, community contribution, and volunteer participation. Otherwise, the sector will become just an indirect delivery arm of government. That is, it will become a sector of “quangos”, which government uses to target funding to respond to specific service needs in lieu of direct public service provision.

Secondly, if service delivery becomes the sector’s sole or primary value to funders, then continuing consolidation and rationalization into larger organizations will become the inevitable trend. This will be an unavoidable dynamic of a human services market in which larger nonprofit agencies will need not only to position themselves in relation to each other but also to contend with growing competition from commercial providers that increasingly see market opportunities in areas such as children’s and seniors’ services.¹⁵⁷

Thirdly, this funding pattern will produce a fledgling and unstable small end sector and increasingly reduce and wither its capacity to contribute to the quality of community life. The strength of smaller and medium sized agencies has been the ability to respond flexibly and adaptively to changing community needs in a particular locality or specific service area, to introduce service innovations, and to engage community members in volunteer life and civic activity. These functions constitute a “community mission” as a balance to the “service mission” role of the sector. Some smaller and medium sized nonprofits exist strictly for this purpose, providing community information and education, research, advocacy, policy development, community development, etc. This is how many new and emerging communities organize themselves at the local level as the population grows and changes. This part of the sector’s contribution to the quality of community life also merits recognition and support.

There is a great risk that funders, especially the provincial government, will continue to recognize only the sector’s service mandate. This will push to greater consolidation at the large scale end and the growing concentration in the nonprofit human services. The sector itself is challenged to recognize that the diversity represented in the full spectrum of small to large organizations is one of its core values. In addition to funder recognition of this value, sectoral strategies to support viable smaller and medium sized operations are also required, especially in a more competitive human service environment.

¹⁵⁷ Social Planning Council of Metropolitan Toronto. *Merchants of Care? The Non-Profit Sector in a Competitive Social Services Marketplace*. (Toronto: Social Planning Council of Metropolitan Toronto, April, 1997).

7. Action Agenda

Several major sets of findings emerge from the Halton Nonprofit and Voluntary Sector Human Resources Study of human services.

- (1) In addition to the social benefits provided to individuals, families and communities, the nonprofit human services in Halton make a significant economic contribution to the region. Employing 4,500 to 5,000 people and engaging an estimated 22,000 volunteers, the sector contributes about \$250 million to the regional economy, which is about 1.3% of Halton's Gross Domestic Product. Since the sector's human capital is the basis for this economic contribution, the stability and quality of its human resource base are critical to the sector's capacity to continue performing both its social and economic roles effectively.
- (2) It is a low wage sector, offering poor benefit coverage and higher levels of temporary and part-time work than other sectors. Women are most affected since they make up 90% of the paid workforce. It is important that the sector addresses itself both to the issue of gender inequity (respect for and valuing of women's contributions) and to the issue of gender imbalance (attraction and recruitment of more men into the sector).
- (3) Senior managers in the Halton nonprofit human services report that recruiting and retaining qualified staff are major challenges since their ability to offer competitive compensation packages is limited and, with a growing labour shortage, there is increasing competition from both the public and private sectors for a shrinking number of good employees. Strategies are needed to more systematically and intentionally offer an attractive work experience and viable career path to younger and more racially-culturally diverse people in the labour pool.
- (4) All of the foregoing challenges are heightened for smaller and medium size agencies in the sector. While there are some efficiency benefits in service delivery offered by the economies of scale of larger nonprofit agencies, over-consolidation in the sector will put at risk the benefits of smaller and medium sized agencies in terms of community responsiveness, flexibility, adaptability, and innovation. The sector's heterogeneity and diversity are strengths that bring community value and distinguish it from the public service sector, and further, allow nonprofit human services to play an important complementary role to the public sector in providing a comprehensive mix of essential social supports.

Strategies are needed at the regional level to increase awareness and to strengthen the sector's human resource base. Consultation and planning among key stakeholders for action at the regional level to stabilize and revitalize the sector's human resource base would include:

- **Outreach and community education campaign** on the emerging crisis in the human resource base of the nonprofit human services targeted at:
 - (a) Agency boards of directors
 - (b) Local Municipal and Regional Government
 - (c) Champions Table and four Working Groups in the Community Action Plan follow-up to the Regional Chairman's Roundtable on the Nonprofit and Voluntary Sector
 - (d) Funders
 - (e) Economic development organizations, local Chambers of Commerce and other business groups
 - (f) Labour unions
 - (g) Educational institutions (e.g., school boards, schools, faculty, students)

- **Explore development of consortia or cooperatives** for:
 - (a) improved and broader protective benefit coverage for small and medium sized organizations;
 - (b) employee training and education; and
 - (c) pooling capacity for sharing human resource development expertise.

Any of these approaches would likely best be initiated among a subset within the human services such as children's services, but should ensure the involvement of smaller agencies with less developed and stable infrastructure.

- **Training and innovation fund** set up by funders that would be available for employees to:
 - (a) upgrade formal educational qualifications;
 - (b) supplement foreign educational qualifications;
 - (c) support short-term employee training; and
 - (d) allow professional and managerial sabbatical leaves or exchange programs.

This could include resources being directed to senior managers in the sector for improvement of their human resource management skills.

- **Developing a regionally coordinated School Community Involvement Program**, which would combine individual guidance on placements with an overall orientation to the sector and collective sharing, reflection, and analysis on students' work experiences (e.g., pre-placement and post-placement reflection and learning sessions). This would require infrastructure support beyond the current limited school guidance capacity and burdensome supervisory demands on agencies.

- **Designing a student loan relief program** to offset lower salaries/wages especially at entry level positions (e.g., percentage of loan paid down for every year committed to the sector). Governments' interest would be maintaining the human service sector's capacity to provide essential services and supporting the development of human capital.

- **Qualitative research study on immigrant workers** in the sector and their employers for development of a pro-active strategy on supporting a more culturally diverse workforce in Halton over the next 10 to 15 years.
- **Strengthening the capacity of volunteer management and coordination** in the sector, especially with respect to awareness of volunteer participation as a source of future employment for the sector.
- **Outreach campaign targeted at young men** at the first work experience level in order to promote the sector as a career choice. This could be one of the intentional design features of a modified regionally coordinated School-Community Involvement Program.

An Action Agenda addressing itself to the above areas would aim to reach and benefit a wide range of individuals and groups vital to the health and vitality of the sector's human resource base, including:

- (1) Nonprofit human services agencies serving Halton by raising broader awareness about the human resource challenges that they face and initiating action and cross-sectoral commitments to strengthen the sector's human resource base.
- (2) An estimated 4,500-5,000 employees in nonprofit human services in Halton, 90% of them women, by focusing attention and action on inequities in compensation packages and unstable and insecure working conditions, which increasingly affect their ability to continue working in the sector and their capacity to perform essential social support roles to their clients.
- (3) Senior managers in the nonprofit human services in Halton in terms of addressing their major concerns about recruiting and retaining competent and highly motivated employees and volunteers.
- (4) Managers and volunteer leaders in smaller and medium size nonprofit human service agencies in Halton in need of collaborative and collective strategies for their operations to remain viable and to achieve a reasonable degree of stability.
- (5) Young men and women and newcomers to Halton in order to attract their attention to working and possibly career-building in the nonprofit human services sector.
- (6) Individuals, families, and communities who depend on the network of nonprofit human services in Halton as a consequence of improving the ability of employees and volunteers in the sector to provide essential services and supports.
- (7) The public sector, especially at the municipal and provincial levels, by enabling it to be more effective and efficient as a result of strengthening the capacity of the nonprofit human services to enter and fulfill partnership arrangements.

- (8) Interested parties in the public and nonprofit sector in communities outside of Halton, provincially and across Canada, that may wish to learn from the research and action on human resource issues in the sector done in Halton.

Community Development Halton remains committed to working with the nonprofit agency sector as well as government and private sector supporters concerned about the future of the nonprofit human services and the quality of the experience of the employees and volunteers who are central to the sector's success.

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APPENDIX I: Defining the Focus of the Study: The Halton Human Services Nonprofit and Voluntary Sector

Defining Criteria for Non-Profit, Voluntary Sector Organizations

The definitions of the Statistics Canada *National Survey of Non-Profit and Voluntary Organizations (NSNVO, 2003 revised 2005)* were used as a guide to defining which human services organizations to include in the Halton agency survey. The *NSNVO* includes incorporated non-profit organizations, a subset of which was made up of non-profits that were also registered charitable organizations. In addition, qualifying criteria for inclusion in the *NSNVO* are organizations that¹⁵⁸:

- are institutionally independent of government (thus excluding some public sector agencies that are registered charities such as school boards and public libraries);
- return no profits to their directors or members;
- are self-governing; and
- benefit from voluntary contributions of time and/or money.

It was decided that these were good defining criteria for inclusion in the Halton survey, although they would exclude small, grass roots, informally organized community groups. Small informal community groups are valuable local resources but the problems of sampling for the survey and comparing data across formal and informal organizations would be infinite.

Centring on Social Services in the Halton Study

Determining what to include in “human services” in the survey and the overall study was more complicated. The *National Survey* uses an international classification system for all non-profit and voluntary sector organizations developed at Johns Hopkins University and “modified for use in Canada.”¹⁵⁹ There are 14 groupings in this classification system plus one for “Not Elsewhere Classified”.

The activity area designated as **Group 7: Social Services** appears to represent the most familiar types of non-profit human services, being made up of¹⁶⁰:

- Child welfare, child services, and day-care
- Youth services and youth welfare
- Family services
- Services for the handicapped
- Services for the elderly
- Self-help and other personal social services
- Disaster/emergency prevention and control
- Temporary shelters

¹⁵⁸ Michael Hall, et al., *Cornerstones of Community: Highlights of the National Survey of Nonprofit and Voluntary Organizations*. 2003 Revised edition. Ottawa: Statistics Canada, 2005, p. 8.

¹⁵⁹ *Ibid.*, p. 59.

¹⁶⁰ *Ibid.*, p. 61

- Refugee assistance
- Income support and maintenance
- Material assistance

Organizations in all of these areas have a primary service mission related to the essential human needs of individuals, families, groups and communities.

Excluding Publicly Funded and Mandated Institutional Services

Medical care and post-secondary education are undeniably important areas of human need. The classification system groups them distinctively as **Group 4: Universities and Colleges** and **Group 5: Hospitals**. These groups were not included in the Halton study of the human services voluntary sector because:

- they are institutionally based, significantly resourced through government budgets and also mandated and highly regulated by public statutes;
- they are of a much different character and scale than the rest of the voluntary sector as noted by McMullen and Schellenberg in their own research on the workforce in the voluntary sector¹⁶¹; and
- their inclusion would significantly skew the survey findings in Halton in variables related to finances and personnel, even though their numbers are small (e.g., Halton has only one community college and four hospitals, three of which fall under one corporate umbrella. Still, these institutions employ many thousands of people and have multi-million dollar budgets that, combined, may well dwarf the entire rest of the voluntary sector in the region).¹⁶²

Other Exclusions based on Distance from a Human Services Focus

The case for not including **Group 13: Religion** is somewhat the same as for not including Hospitals and Universities/Colleges. Religious organizations make up a large part of the sector and have many distinctive features compared to other parts of the human services. For example, their high reliance on volunteers and smaller numbers of paid staff would skew the overall survey results in the other direction from the norm in the more conventional human services sector. While religious groups do provide social supports, their primary mission focuses on worship, the spiritual life of their congregants and pastoral care. This distinctive character may well merit its own study on human resources, but should not be part of the current Halton study on the human services sector.

Group 8: Environment includes six kinds of organizations in the modified Johns Hopkins classification system:

- Pollution abatement control
- Natural resources conservation and protection

¹⁶¹ Kathryn McMullen and Grant Schellenberg. *Mapping the Nonprofit Sector*. CPRN Research Series on Human Resources in the Nonprofit Sector, No. 1, (December 2002).

¹⁶² Notably, the Statistics Canada *Satellite Account of Nonprofit Institutions and Volunteering, 1997-1999* presents data for the *whole* nonprofit sector and then for the sector *excluding* hospitals, universities and colleges in its tabular presentations on the economic contributions of the nonprofit sector (e.g. Tables 7 and 8 on Gross domestic product at basic prices by primary area of activity, p. 28).

- Environmental beautification and open spaces
- Animal protection and welfare
- Wildlife preservation and protection
- Veterinary services

Although all of these areas are important to the general public in terms of human ecology, they are fairly distinct from “human services” and would not be appropriate for inclusion in the Halton study and survey on the human services sector.

Two additional groupings that are far removed from the human services sector and can be eliminated from the Halton study are:

- **Group 12: International** – organizations providing aid and promoting relations with other countries; and
- **Group 14: Business and Professional Associations and Unions** – organizations focused solely on the needs and interests of their own memberships, rather than issues of support and assistance to a community group or public need.

It is harder to rule out immediately **Group 1: Arts and Culture** and **Group 2: Sports and Recreation** from the Halton study. The personal and community benefits of organizations in these areas are undeniable. They are unquestionably sources of personal well-being and social support for many people. Somewhat like religious organizations, however, organizational missions in these two areas are primarily directed to other purposes: Arts and Culture to the creative expression of the human mind and spirit, and Sports and Recreation to physical exercise and stimulating and enjoyable leisure activities.¹⁶³

Selective Approach to Certain Groupings By Primary Area of Activity

Among the remaining four groupings in the classification system, there are types of organizations within each that are more closely related to the human services sector than are some other organizational types. The following table identifies which types of organizations within each the groupings would seem to merit inclusion in the human services voluntary sector study for Halton Region.

Types of Organizations in Grouping <i>MORE RELEVANT</i> to a Human Services Voluntary Sector Study	Types of Organizations in Grouping <i>LESS RELEVANT</i> to a Human Services Voluntary Sector Study
Group 5: Health	
<ul style="list-style-type: none"> • Mental health treatment 	<ul style="list-style-type: none"> • Rehabilitative medical services

¹⁶³ Although Arts and Culture and Sports and Recreation organizations were not included in the survey sample, several focus groups were organized and conducted with representatives of employees and volunteers from these types of agencies and the findings are reported in Community Development Halton, “Recreation and Sports Groups: Labour Force Profile and Issues”, Burlington, (July 2006).

Types of Organizations in Grouping MORE RELEVANT to a Human Services Voluntary Sector Study	Types of Organizations in Grouping LESS RELEVANT to a Human Services Voluntary Sector Study
<ul style="list-style-type: none"> • Crisis intervention • Public health and wellness education • Health treatment, primarily outpatient 	<ul style="list-style-type: none"> • Emergency medical services
Group 9: Development and Housing	
<ul style="list-style-type: none"> • Community and neighbourhood organizations • Social development • Housing associations • Housing assistance • Job Training programs • Vocational counselling and guidance • Vocational rehabilitation and sheltered workshops 	<ul style="list-style-type: none"> • Economic development
Group 10: Law, Advocacy and Politics	
<ul style="list-style-type: none"> • Advocacy organizations • Civil rights associations • Ethnic associations • Civic associations • Legal services • Rehabilitation of offenders • Victim support 	<ul style="list-style-type: none"> • Consumer protection associations • Political parties and organizations
Group 3: Education and Research	
<ul style="list-style-type: none"> • Adult/continuing education • Social sciences, policy studies 	<ul style="list-style-type: none"> • Vocational/technical schools • Medical research • Science and technology
Group 11: Grant-making, Fundraising, and Voluntarism Promotion	
<ul style="list-style-type: none"> • Voluntarism promotion • Grant-making foundations¹⁶⁴ • Fundraising organizations 	

One test of relevance might be to compare the breakdown of the size of the paid workforces in the above groups of activity areas with that in the Social Services grouping.

¹⁶⁴ It was decided to include only locally/regionally based fund raising organizations and foundations.

The following table, adapted from Table 3.9 in the *National Survey*, provides this breakdown for the above groupings and also shows paid staff breakdowns for other excluded groups¹⁶⁵:

Primary Activity Area	Number of Paid Staff % in each Activity Area			
	None	1 to 9	10 to 99	100 or more
Social Services	31.3	39.7	25.3	3.6
Education & Research	44.2	39.6	17.0	2.2
Law, Advocacy & Politics	53.3	36.1	10.0	0.6
Health	30.7	34.4	27.2	7.8
Development & Housing	55.6	32.0	10.5	1.4
Arts & Culture	63.1	28.8	6.8	1.4
Sports & Recreation	73.5	19.2	6.8	1.4
Religion	35.3	50.8	5.2	(too few observations) ¹⁶⁶
Universities & Colleges	35.0	(too few observations)	24.6	31.9
Hospitals	28.9	(too few observations)	9.7	43.3

If the size of paid staff of the Social Services group is used as the point of reference, the distributions of paid staff size are relatively comparable for the four groups following Social Services in the above table, especially for staff sizes in the 1 to 9 person range.

In the other groupings:

- The staff sizes of Arts and Culture and Sports and Recreation groups differ significantly from Social Services in all ranges, but especially in the category of no staff, as volunteers carry much of the activity in these types of nonprofit organizations.
- Religion varies from Social Services and the other four groups in the top section of the table in all paid staff ranges higher than that of no staff; this probably reflects the

¹⁶⁵ Hall et al., Op. cit., p. 37.

¹⁶⁶ Data suppressed to protect confidentiality.

presence of pastoral leaders in many small faith communities across the country rather than a large number of social support staff.¹⁶⁷

- The corporate, institutional base of the Hospitals and Universities/Colleges sector is evident in the high number with 100 or more staff and the very few with 1 to 9 staff. Regarding the high proportion with no staff for each, the *National Survey* explains, “Organizations self-reporting as Hospitals and as Universities and Colleges with no paid staff are not hospitals and universities and colleges per se. They are organizations such as hospital auxiliaries, staff associations, and student associations that report no staff since they are operated exclusively by volunteers.”¹⁶⁸ They would seem to be really more appropriately classified under Business and Professional Associations and Unions.

Conclusion

Based on the preceding analysis, then, the Human Services Voluntary Sector Labour Force and Volunteer Study for Halton Region focused on organizations in the following groups of activity areas and selected organizational types within each grouped activity area for the Halton agency survey as indicated following:

<p>Social Services:</p> <ul style="list-style-type: none"> • Child welfare, child services, and day-care • Youth services and youth welfare • Family services • Services for the handicapped • Services for the elderly • Self-help and other personal social services • Disaster/emergency prevention and control • Temporary shelters • Refugee assistance • Income support and maintenance
<p>Health:</p> <ul style="list-style-type: none"> • Mental health treatment • Crisis intervention • Public health and wellness education • Health treatment, primarily outpatient
<p>Development and Housing:</p> <ul style="list-style-type: none"> • Community and neighbourhood organizations • Social development • Housing associations • Housing assistance • Job Training programs • Vocational counselling and guidance

¹⁶⁷ The 50.8% figure for Religion for 1 to 9 paid staff is actually for 1 to 4 paid staff, since there were too few observations to report the data point for the 5 to 9 paid staff category (Hall et al., op. cit., p. 37).

¹⁶⁸ Ibid.

Law and Advocacy:

- Advocacy organizations
- Civil rights associations
- Ethnic associations
- Civic associations
- Legal services
- Rehabilitation of offenders
- Victim support

Education and Research:

- Adult/continuing education
- Social sciences, policy studies

Grant-making, fundraising and voluntarism promotion

- Voluntarism promotion and support
- Grant-making and fund raising organizations (local/regional)

APPENDIX II: Nonprofit Human Services Survey

Nonprofit Human Services Survey

Assurance of Confidentiality and Privacy:

Results from this survey will be reported only in aggregate form for statistical purposes, preventing the identification of individual organizations and preserving their confidentiality. The completed survey questionnaires will be saved in a secure location with access only to the Community Development Halton Research Coordinator and Research Assistants. These individuals will link survey results to respondents only for focus groups and/or follow-up interviews or queries for clarification. Please see the Privacy Statement on: www.cdhalton.ca/surveyprivacy.htm for more information.

Our sincere thanks for your cooperation on this important research.

1. Identification and Contact Information for Your Organization:

1.1 Name of Organization:

1.2 Main Address (geographic location):

1.3 Mailing Address (if different from above):

1.4 Name of person completing survey:

1.5 Position in organization:

1.6 Telephone: _____

1.7 Fax number: _____

1.8 E-mail: _____

1.9 Web Site: _____

3.3 Please check the groups to which your organization **primarily directs its services**:

- Men
- Women
- Children
- Youth
- Seniors
- Parents/Families
- Low-income People

- Immigrants/Refugees
- Ethnic Community
- Aboriginal peoples
- Persons with disabilities
- Sexual Minorities
- Offenders
- General Public

Other people: (specify)

Organizations: (indicate type)

3.4 Rank order from the categories below **up to three major areas of activity** that best describe your organization's work: (The categories are drawn from an international classification system for non-profit organizations)

Major Category	<i>Rank order up to 3 [1st], [2nd], [3rd]</i>	Description of Category
Social Services	<input type="checkbox"/>	Includes child welfare, child services, and day-care, youth services and youth welfare, family services, services for the handicapped, services for the elderly, self-help and other personal social services; disaster/emergency prevention and control; temporary shelters; immigrant/refugee support, income support.
Health	<input type="checkbox"/>	Includes mental health treatment, crisis intervention, first aid training and services, public health and wellness education, health treatment, primarily outpatient.
Development & Housing	<input type="checkbox"/>	Includes community and neighbourhood organizations, social development, housing associations, housing assistance, job training programs, vocational counselling and guidance, vocational rehabilitation and sheltered workshops.
Law & Advocacy	<input type="checkbox"/>	Includes advocacy organizations, civil rights associations, ethnic associations, civic associations, legal services, rehabilitation of offenders, victim support
Education & Research	<input type="checkbox"/>	Includes adult/continuing education, literacy programs, social sciences, policy studies.
Grant-making, Fundraising & Voluntarism Promotion	<input type="checkbox"/>	Includes grant making foundations, fund raising organizations, voluntarism promotion and support

3.5 Please indicate the **size of your organization** for the three indicators below and comment, if you wish, on significant changes in your organization's size over the last three years. (Use your organization's **official year-end data**, either the calendar year ending Dec. 31 **or** the fiscal year, the twelve-month period ending March 31)

Indicators of Organizational Size	2005	2004	2003
Total Annual Operating Budget	\$	\$	\$
Total Number of Paid Employees (permanent & temporary/project)			
Total Number of Service Recipients			
<u>Commentary:</u>			

3.6 In the space below, please indicate **up to three major challenges or issues** facing your organization **in the next five years:**

4. HUMAN RESOURCES: Paid Employees

For the purposes of this survey, job classifications for employees are as follows:

- Executive Director** – most frequent designation in the sector for the head staff person in the organization (sometimes called CEO)
- Department/Division Heads** – in larger organizations these are senior management positions with defined areas of major responsibility (e.g. Director of Residential Services, Head of Research Department, Vice President of Allocations, etc.)
- Managers** – positions overseeing other staff and programs (e.g. Supervisor, Program Coordinator/Manager, Team Leader)
- Senior Administrators** – positions dedicated to organizational rather than program/service operations (e.g. Executive Assistant, Office Supervisor/Manager, Fund Raiser, Media Relations, Accountant)
- Professional/Service/Program Staff** – positions primarily engaged in front-line program and direct service delivery, including project staff (e.g. Counsellor, Community Worker, Program Officer, Researcher, Social Worker, Health Promoter, Special Project Worker)
- Office Support Staff** – positions that support the work of other staff and the functioning of the organization’s operations (e.g. Clerical Staff, Secretary/Keyboard Operator, Receptionist, Bookkeeper, Technical Assistant)

4.1 Please record below **a breakdown of the numbers for all paid employees (i.e. on the payroll) as of January 2006:**

January, 2006 Employee Positions	Total No. Employees	Employee Numbers by Gender		Paid Employee Numbers by Age Ranges			
		No. Male	No. Female	25 yrs and under	26 – 45 yrs	46 – 65 yrs	65+ yrs
Executive Director							
Department/Division Heads							
Senior Administrators							
Managers							
Prof'l/Service/Prog Staff							
Office Support Staff							

4.2 Provide a numerical breakdown the of the **job status and working hours of employees on the payroll as of January 2006:**

January, 2006 Employee Positions	Job Status		Working Hrs per Week		Estimate the Number of Employees Working Overtime (OT) hrs/wk			
	Number of Permanent	Number of Temporary (i.e. project/contract)	# Full-Time: (30 hrs/wk or more)	# Part-Time: (Less than 30 hrs/wk)	Zero hrs/wk OT	1 - 5 hrs/wk OT	6 – 10 hrs/wk OT	10+ hrs/wk OT
Executive Director								
Dept./Div. Heads								
Senior Administrators								
Managers								
Prof'l/Service/Prog Staff								
Office Support Staff								

4.3 In the ***last three years*** the total number of paid staff in your organization has:
 Increased Stayed about the same Decreased

4.4 Please indicate the ***highest level of formal education*** of employees on the payroll **in January 2006**:

January, 2006 Positions	Total No. Employees (from 4.1)	Highest Level of Formal Education				
		High School Graduate (No.)	Some College or University (No.)	College Diploma or Certificate (No.)	Undergrad. University Degree (No.)	Graduate or Professional Degree (No.)
Executive Director						
Department/Division Heads						
Senior Administrators						
Managers						
Professional/Service/Program Staff						
Office Support Staff						

4.5 Please indicate the ***years of service with your organization of employees*** on the payroll **in January 2006**:

January, 2006 Positions	Employee Years of Service with Organization (No. = Number of Paid Employees)			
	Up to 1 year (No.)	1 – 3 years (No.)	4 – 10 years (No.)	10+ years (No.)
Executive Director				
Department/Division Heads				
Senior Administrators				
Managers				
Professional/Service/Program Staff				
Office Support Staff				

4.6 **In the last three years the number of persons with foreign educational qualifications or work experience** hired by your organization is:

None 1 – 5 6 – 10 11 – 20 20+

Comments re Hiring Persons with Foreign Educational Qualifications or Work Experience?

4.7 It is necessary to hire employees who have **less than the required educational qualifications** for open positions:

Rarely Occasionally Frequently: Which positions? Not Applicable

4.8 The **number of employees permanently leaving** your organization's employment **over the last three years** is:

Zero 1 - 5 6 - 10 11 - 20 More than 20

Most Common Reasons for Leaving?

4.9 The **number of new hires over the last three years** is:

Zero 1 to 5 4 to 10 11 to 20 More than 20

4.10 **Volunteers get hired to employee positions** in your organization:

Never: Why? Rarely Occasionally Frequently: Why?

4.11 Are there currently positions in your organization that have been **vacant for an extended period of time?**

YES NO

Reasons for extended vacancies in some positions?

4.12 Does your organization have a **Board approved policy for equity hiring?**

YES NO

4.13 Indicate whether your organization presently has **employees who self-identify as:**

Persons with disabilities People of colour Newcomers Aboriginal
 Sexual Minorities Former service recipients People from other equity-seeking groups:

4.14 Please indicate below with check marks the **language proficiency** of your organization's employees:

Some employees can . . .	Official Lang.		Non-Official Languages (specify)			
	English	French				
. . . communicate basic information in	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
. . . provide agency's services in	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

4.15 The number of **employees in 2005 that received training** in or through your organization is:

None 1 to 3 4 to 10 more than 10 >>> Number _____

4.16 The **two main sources of funding for employee training** in your organization are: (check up to two)

Core operating budget of your organization Project funding with training in the budget
 Government training programs Voluntary sector training programs (e.g. United Way)
 Employee coverage of all or part of training Use of self-generated agency revenue
 Other: _____

4.17 Please indicate for **each position up to the three most important skill areas in which your employees need training** :

Skill Areas	Most Important Training Needs for Each Position (i.e. Up to three check marks [✓] in each column for positions that apply to your organization)					
	Exec Dir	Dept./Div. Heads	Managers	Senior Administrators	Prof'l/Service/Program Staff	Office Support Staff
Communications skills	[]	[]	[]	[]	[]	[]
Financial management	[]	[]	[]	[]	[]	[]
Fundraising skills	[]	[]	[]	[]	[]	[]
Leadership skills	[]	[]	[]	[]	[]	[]
Marketing/public relations	[]	[]	[]	[]	[]	[]
Organizational management	[]	[]	[]	[]	[]	[]
Partnership management	[]	[]	[]	[]	[]	[]
Project management	[]	[]	[]	[]	[]	[]
Update professional skills	[]	[]	[]	[]	[]	[]
Use of technology	[]	[]	[]	[]	[]	[]
Working with volunteers	[]	[]	[]	[]	[]	[]
Other: (specify)	[]	[]	[]	[]	[]	[]

4.18 Please indicate **as of January 2006** the ***annual salary/wages for each employee position or the annual salary/wage ranges for employees in the same job positions.*** (For employees in Part-time positions pro-rate their salaries/wages to the full-time equivalent for the full-year). ***Note the Professional/Service/Program Staff salary/wage response is broken out separately in the box following.***

	Executive Director	Dept./Div. Heads	Managers	Senior Administrators	Prof'l//Service/Program Staff	Office Support Staff
Annual Salary/Wages or Salary/Wage Range For Each Position					(See Box Following)	
Professional/Service/Program Staff Annual Salaries/Wages: Since there may be a wide range of professional and direct service and program/project staff positions in your organization, the space below allows you to be more precise in breaking down salary/wage information for this job category:						
<u>Job Title</u>			<u>Annual Salary/Wage or Salary/Wage Range</u>			

4.19 ***Changes in employee salaries and wages*** in relation to the rate of inflation for the last three years (4.3% rate 2003-05) have:
 Increased more than the rate of inflation
 Increased about the same as the rate of inflation
 Stayed about the same (i.e. fallen behind increases in the cost of living)
 Been reduced significantly because of other cost pressures and/or revenue reductions

4.20 Check which ***employee benefits and supports*** your organization provides:

- | | | |
|--|--|---|
| <input type="checkbox"/> Life Insurance | <input type="checkbox"/> RRSP Employer Contribution Plan | <input type="checkbox"/> Sick Leave |
| <input type="checkbox"/> Short Term Disability | <input type="checkbox"/> Lieu Time (time-off for overtime) | <input type="checkbox"/> Bereavement Leave |
| <input type="checkbox"/> Long Term Disability | <input type="checkbox"/> Flexible work hours | <input type="checkbox"/> Family Leave |
| <input type="checkbox"/> Accident Insurance | <input type="checkbox"/> Paid Vacation two weeks | <input type="checkbox"/> Fitness/Recreation Prog. |
| <input type="checkbox"/> Health Services Plan | <input type="checkbox"/> Child Care Support | <input type="checkbox"/> Mileage for Work Travel |
| <input type="checkbox"/> Dental Care Plan | <input type="checkbox"/> Maternity/Parental Leave | <input type="checkbox"/> In-Service training/Prof'l Dev't |
| <input type="checkbox"/> Vision Care Plan | <input type="checkbox"/> Eldercare Support | <input type="checkbox"/> Other: _____ |
| <input type="checkbox"/> Retirement Plan (not CPP) | <input type="checkbox"/> Education Leave | |
| | <input type="checkbox"/> Employee Assistance Programs | |

5. HUMAN RESOURCES: *Volunteers*

5.1 Please provide a **demographic breakdown for volunteers** in your organization ***as of January 2006***:

Total No. Volunteers	Number of Volunteers by Gender		Estimated Number of Volunteers in Different Age Groups				
	M	F	18 yrs & under	19 – 30 yrs	31 – 45 yrs	46 – 64 yrs	65 yrs and older

5.2 Please estimate the **relationship to the labour force** of your volunteers

Total No. Volunteers	Estimate the number of your organization’s volunteers who are:				
	Employed Full-Time	Employed Part-Time	Unemployed	Students	Retired

5.3 Please indicate the **level of diversity in the volunteer involvement** in your organization

Diverse Communities	Estimate to the best of your knowledge the number of volunteers from the following groups
Newcomers	
People of colour	
Youth	
Seniors	
Sexual Minorities	
Aboriginal peoples	
Persons with Disabilities	
Low income people	
Middle to high income people	
Program/Service recipients: _____	
Other: _____	

5.4 Please indicate the number of ***volunteers involved in various roles*** and estimate the ***average time they contribute*** to your organization over the course of a year:

Volunteer Roles	Annual Number of Volunteers	Estimated Average Number of Hours of Monthly Activity Per Volunteer
Board & Committee members		hrs. per month
Programs/Services/Front-line helpers		hrs. per month
Fund Raising		hrs. per month
Administrative/Office helpers		hrs. per month
Other: (specify) _____		hrs. per month

5.5 The ***change in the average number of volunteer hours in the last five years*** has:
 Significantly increased Stayed about the same Significantly decreased

5.6 Does your organization have a ***staff position(s) dedicated to volunteer recruitment and retention:***
 a Coordinator, Supervisor or Manager of Volunteers >>>>>>>> Full-time Part-time
 several staff designated to support volunteers >>>>>> combined staff time amounts to #_____ Full -Time Equivalents
 no staff dedicated just to volunteer coordination or support

5.7 Considering the ***contributions of all employees***, about how many ***total hours per month of employee time goes to volunteer support?***
 _____ hrs/month

5.8 What ***other volunteer supports*** does your organization provide? Check all that apply.

- volunteer orientation
- free or subsidized training for personal growth or skill development
- volunteer manual/resource materials
- volunteer role/job descriptions
- feedback on volunteer performance and review of progress in volunteer activity
- volunteer awards or other forms of recognition and thanks (e.g. special volunteer events)
- transportation assistance (e.g. bus fare, mileage, rides)
- childcare and/or babysitting support
- reimbursement of out -of-pocket expenses for volunteer activity
- free or subsidized food or meals associated with volunteer participation in programs/events/meetings
- access to office equipment and/or services for volunteer activity (e.g. computers, Fax machine, photocopier)
- Other: (specify)

5.9 In the last five years, has your organization had community members involved from:

- Ontario Works as part of the Community Participation Program
- secondary schools to fulfill students' community involvement hours
- community service orders from the courts
- co-op students
- college or university student placements

Comments on benefits and costs to your organization of the above kinds of volunteer participation:

5.10 In the last five years, are volunteers in your organization doing **jobs that were done previously by paid employees**?

- NO YES >>>>>> estimate the # of Full – Time Equivalent staff positions: _____

5.11 On average, a **volunteer stays involved** with your organization:

- less than a year 1 to 2 years 3 to 5 years 6 to 10 years 10+ years

5.12 In the **last five years the change in the number of volunteers** in your organization has:

- Significantly increased Stayed about the same Significantly decreased

5.13 Please indicate below **up to three major barriers to the recruitment and retention of volunteers**:

Finances

Getting a good understanding of the financial picture and pressures for non-profit agencies in Halton Region will be a very important result of this survey. But, putting this information down in the survey can also be the most tedious and time-consuming task.

Therefore, we invite you to skip the detailed questions 6.1, 6.2 & 6.3 by sending us instead copies of your detailed audited financial statements for the last two years. If you can do this, please move on to answer questions 6.4 to 6.9 in this survey.

If your organization is not incorporated and does not have audited statements, please answer all of the questions on Finances in the survey. Thank You.

[] Please indicate here if you are enclosing with this survey detailed audited financial statements for the last two years in lieu of completing questions 6.1, 6.2, and 6.3 below. If so, please then proceed to page 17 and answer questions 6.4 to 6.9. Thank you.

6.1 If not sending us detailed financial statements for the last two years, please indicate below from your financial records **the revenue in the last three years** received from the sources listed:

	For the 12 month period ending either March 31 (fiscal year) or December 31 (calendar year) depending on your organization's official financial year:		
Revenue Sources	2005	2004	2003
Government:	\$	\$	\$
Federal			
Provincial			
Regional			
Other Municipal			
Philanthropic:	\$	\$	\$
United Ways			
Ontario Trillium Foundation			
Other Charitable Foundations			
Individual & Corporate Donors			
Self-Generated Revenue:	\$	\$	\$
Sales of Goods & Services			
Fundraising Campaigns/Events			
Membership Dues			
Charitable Gaming			
Interest & Investment Income			
Other: (specify) _____			

6.2 Please indicate whether your organization has any of the following **capital assets as of 2005**:

Capital Assets	Organization Owns	Book Value as of End of 2005 Financial Year
Land and/or Buildings	[]	\$
Furniture/Equipment (including vehicles)	[]	\$
Reserve/Contingency Funds	[]	\$
Endowments	[]	\$
Other Investments	[]	\$

6.3 Please indicate below from your financial records your organization's **expenditures in the last three years** :

Expenditure Areas	For the 12 month period ending either March 31 (fiscal year) or December 31 (calendar year) depending on your organization's official financial year:		
	2005	2004	2003
	\$	\$	\$
Employee Salaries/Wages & Benefits			
Contracts with External Consultants			
Occupancy Costs (rent, utilities)			
Purchased Goods & Services (see Note #1)			
Professional Fees (e.g. legal, audit)			
Office Expenses (see Note #2)			
Other: (specify)			

Note #1 – Purchased Goods & Services includes: indirect (non-salary/wage) program costs, staff/volunteer travel & transportation and participation in meetings/workshops, equipment rental, repairs & maintenance, computer and other technical support, insurance, membership fees in other organizations, subscriptions.

Note #2 – Office Expenses includes: telephone/Internet charges, postage, printing/photocopying, office supplies and materials.

6.4 What impact, if any, have **changes in your organization's levels and sources of revenue had on your employee base in the last three years?** (e.g. increased or decreased hours and/or number of staff)

6.5 What impact, if any, have **changes in your organization's expenditure levels and patterns had on your employee base in the last three years?**

For the purposes of this survey, "core operational funding" is defined as relatively stable revenue year after year that enables the non-profit human service organization to maintain a base of paid staff and administrative infrastructure (e.g. facilities, communications, etc.) necessary to fulfill its mandate and perform its service functions. Presumably, as an agency grows, its core funding also needs to increase in order to support the operational capacity required to deliver more programs and services.

6.6 What is/are your organization's **most stable core funding** revenue source(s) year after year?

6.7 Approximately what **percentage of your organization's current annual revenue do you consider to be core funding?**
_____ %

6.8 In your opinion, what percentage of your organization's annual revenue do you think **should be for core or basic operating purposes when operating at full capacity?**
_____ %

6.9 Please indicate below up to **three major financial challenges/issues** facing your organization face **in the next five years:**

Thank you very much for taking the time to complete this important survey.

***Please enclose the completed survey and the audited financial statements for the last two years,
if you so indicated, in the pre-addressed, stamped envelope provided
and send by post to the Research Coordinator at Community Development Halton***

January 31, 2006