

EXECUTIVE SUMMARY

The non-profit sector is an integral part of the local economy in the City of Greater Sudbury. The 112 non-profit and charitable organizations that participated in the study made contributions through job creation, volunteerism, revenues generated and expenses incurred by organizations that were re-circulated into the local economy.

Introduction

In recent years the non-profit sector has undergone widespread restructuring due to social, cultural and economic changes. However, very little is known about the non-profit sector as a whole and, more specifically, the economic contribution it makes to the local economy. The scope of the non-profit sector is vast; however community research is being conducted to illustrate the economic, social capital and volunteer contributions by the non-profit sector. For the purposes of this study, we have sought to examine the economic contribution of the non-profit sector by examining the revenues generated, the number of persons employed by the sector and the number of volunteers active in the non-profit sector within the City of Greater Sudbury.

Defining the Non-Profit Sector

The Canada Customs and Revenue Agency has defined charitable organizations as follows, “A charitable organization means an organization, whether or not incorporated, (where) all the resources of which are devoted to charitable activities carried on by the organization itself, (and) no part of the income of which is payable to, or is otherwise available for, the personal benefit of any proprietor, member, shareholder, trustee or settlor thereof.” (The Income Tax Act, R.S.C. 1952, c. 148, s. 1.). Three types of organizations in the non-profit sector were included in this study; these were charities that were registered with the Canada Customs and Revenue Agency and unregistered non-profit agencies as well as organizations that were both charitable and non-profit organizations.

Research Methodology

The Social Planning Council of the City of Greater Sudbury used a purposive strategy to obtain its sample population. A list of registered charities in the City of Greater Sudbury was generated from the Canada Customs and Revenue Agency, in addition to 174 non-profits that were not listed as registered charities. The final sample included 414 French and English non-profit and charitable agencies within the City of Greater Sudbury. A mail questionnaire was sent to the 414 non-profit organizations within the City of Greater Sudbury in October of 2001. It obtained background information, numbers of persons employed, volunteerism, revenues generated, expenses and fundraising activities.

Key Findings

Non-Profit Organizations in the City of Greater Sudbury

- Of the 414 questionnaires that were distributed to non-profit and charitable organizations in the City of Greater Sudbury, 112 were returned, yielding a response rate of 27.1 percent.
- The results indicated that welfare organizations accounted for the largest percent of all organizations at 30.1 percent, followed by health organizations (19.4%), educational organizations (18.5%), religious organizations (16.8%), followed by organizations designated as a benefit to the community (8.9%) and leisure and sports organizations and culture and arts organizations which each accounted for 2.7 percent.

Background Information

- The respondents included both Francophone and Anglophone organizations from the City of Greater Sudbury. Of the respondents who completed the questionnaire, 80.4 percent were from Anglophone organizations, and 19.6 percent were from Francophone organizations.
- The largest percentage of organizations in the sample (23%) have been in existence between 11 and 20 years, followed by 21 to 30 years (17.7%), and the smallest percentage of organizations (9%) had been in existence for between 31 and 40 years.
- 83.2 percent of organizations indicated that they serviced the City of Greater Sudbury, 15.9

percent indicated that they serviced a specific section of the City of Greater Sudbury; organizations that serviced surrounding areas accounted for 36.3 percent and a small proportion of organizations indicated that they offered services on a national level (2.7%).

- 35.4 percent of organizations in the sample indicated that they were a charitable organization, 19.5 percent indicated that they were a not-for-profit organization and 41.6 percent indicated that they were both a charitable and not-for-profit organization

Employment

- Within the study sample 2164 people were employed either full-time or part-time.
- Women accounted for 73 percent of the employment in the sample, whereas men accounted for 27 percent
- Of those employed, 1316 or 60.8 percent were employed full-time and 848 persons, or 39.2 percent were employed part-time in the non-profit sector.
- the education sector employed the largest amount of full-time and part-time workers with 926 persons or 42.7 percent, followed by the health sector with 598 persons or 28.0 percent.

Volunteers

- The participating organizations, within the City of Greater Sudbury, estimated that 7488 volunteers were actively involved in their agencies.
- Most volunteers, approximately two-thirds, were reportedly women
- The health sector had the largest number of volunteers with 31.1 percent, followed by the welfare sector at 22.9 percent.
- Most volunteers, (89%) served as Board members or participated in fundraising activities (54%).
- Over half (54%) of the volunteers, contributed between one and nine hours per week. Based on the survey results, the value of volunteer hours may be estimated between \$2,604, 821 and \$23,443,395 worth of unpaid labour for the last fiscal year.

Fundraising

- Within the sample, 78.6 percent of organizations indicated that they used fundraising as a means to increase revenues.
- The most commonly used form of fundraising reported by organizations was special events, with 54.5 percent of organizations indicating that they used this method to generate revenue, followed by corporate donations at 38.4 percent and charitable gaming at 36.6 percent.

Revenues

- A sub-sample of 95 organizations responded to a section concerning revenue generation. The results indicated that the largest percentage of organizations, 17 percent, generated between \$200,001 and \$500,000 in their last fiscal year.
- The revenue that was generated from 95 organizations totaled \$107,462,606, however this figure did not include revenues reported from hospitals and major teaching institutions in the non-profit sector.
- The top ten organizations generated \$80,090,399, or 74.5 percent of the total revenue of the sample, of which \$65,915,480, or 82.3 percent came from provincial government funding sources.
- The health sector generated almost half of the total revenue at \$51,695,849, (48.1%), followed by the welfare sector which generated \$32,748,306, (30.5%) and the education sector generated revenues of \$17,003,828 (15.8%). These three sectors accounted for 94.4 percent of all revenue generated by the organizations in the sample.

Expenses

- A sub-sample of 94 organizations responded to a section regarding expenses, the total expenses for the last fiscal year amounted to \$95,791,350.
- Over half of the expenses incurred by the organizations in the sample, \$49,994,565, (52.3%), stem from wages and benefits. Less than a fifth of the expenses related to activities (19.6%), and overhead, including rent, hydro, office supplies, equipment accounted for 15.6 percent of the expenses incurred by the organizations.

