

*The Nonprofit and Voluntary  
Sector in Manitoba, Saskatchewan  
and the Territories*

REGIONAL HIGHLIGHTS OF THE NATIONAL SURVEY OF  
NONPROFIT AND VOLUNTARY ORGANIZATIONS

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Canada 

The Nonprofit and Voluntary Sector in Manitoba, Saskatchewan and the Territories

Regional Highlights from the National Survey of Nonprofit and Voluntary Organizations

Prepared for Voluntary and Nonprofit Sector Organization of Manitoba

By

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# Executive Summary

Nonprofit and voluntary organizations collectively contribute an essential element to Canadian society. They produce and distribute goods and services which are not available through either the market or the state. They provide an infrastructure for the engagement of citizens in their communities and a forum for democratic action and education. They also provide a means for citizens to come together and identify issues that are important to them, develop agendas of action, and implement those agendas.

This report is based on data from the 2003 National Survey of Nonprofit and Voluntary Organizations. For this survey, Statistics Canada collected information from representatives of 13,000 incorporated nonprofit organizations and registered charities. Information covered in this report relates to the size, scope, activities, finances, human resources, and capacity needs and challenges of organizations (Hall et al., 2004).

## **Voluntary and Nonprofit Organizations Work in Many Activities and Touch Virtually All Areas of Life**

- Manitoba, Saskatchewan and the Territories housed 17,034 voluntary and nonprofit organizations in 2003. This is 11% of the national total. This region also contained the highest number of organizations per 100,000 population (752).
- The two areas of primary activity that include the most organizations are Religion (23%) and Sports and Recreation (21%). Areas of moderate activity include Social Services, Arts and Culture, and Grantmaking, Fundraising, and Voluntarism Promotion.
- The Religion category is somewhat larger in the region than nationally (23% versus 19%), and the Development and Housing category is somewhat smaller in the region than nationally (5% versus 8%).
- Sixty percent of regional organizations are registered as charities. This is above the national percentage of 56%, but the Territories exhibit the lowest percentage in the country (37%).

## **Most Voluntary and Nonprofit Organizations Have a Local Focus**

- Two-thirds of organizations in the region are locally focused, serving a neighbourhood, city, town, or rural municipality.

## **Nonprofit and Voluntary Organizations Are Community-Focused and Providers of Public Benefits**

- Almost half (48%) of the organizations in the region serve the general public. In addition, many serve broad demographic groups, such as children and youth (22%), and the elderly (16%).
- Most organizations (52%) report that members and non-members benefit equally.

## **Nonprofit and Voluntary Organizations Are Vehicles for Citizen Involvement**

- Voluntary and nonprofit organizations involve over 13 million members.
- Regional organizations report engaging two million volunteers. Most organizations' complements of volunteers tend to be small, but higher revenue organizations and Sports and Recreation organizations (36% of all volunteers but only 21% of organizations) tend to engage more volunteers.

## **Nonprofit and Voluntary Organizations Have a Substantial Economic Presence in the Prairies and Territories**

- Regional organizations report more than \$12 billion dollars in revenue, exactly proportional to the region's share of organizations throughout Canada.
- Regional organizations receive in-kind donations valued at over \$154 million.
- Regional organizations report 174,622 employees, which constitutes approximately 13% of the regional labour force (Hall, 2005).

## **Larger Organizations Receive Most Financial and Human Resources**

- There is a great deal of variation in revenue, with a small number of large-revenue organizations and a large number of small revenue organizations.
- Hospitals, Universities and Colleges account for 1% of organizations, but for 48% of revenue.
- Higher revenue organizations tend to have more paid staff, with the top 1% employing 44% of all paid staff.
- Hospitals, Universities and Colleges (1% of organizations) have more paid staff than other organizations (42% of all paid staff).

## **Government Plays an Important Role as a Source of Revenue for Voluntary and Nonprofit Organizations**

- Government sources account for 53% of the revenue of regional organizations. Provincial and territorial governments are the largest contributors (47%), while the federal government plays a significantly smaller role (5%).

## **Financial and Human Resources are not Declining for Most Organizations; but may be Inadequate**

- Forty-one percent of organizations' revenue remained about the same between 2000 and 2003; 35% reported revenue increases and 23% reported decreases. Organizations dependent on government revenue were more likely to report increases (43% versus the average of 35% for all revenue sources combined).
- Most organizations report no changes in volunteer complements over three years (54%), which is the same as the national average. Increases tend to be associated with increases in revenue and larger volunteer complements.
- Most organizations (78%) report no changes in paid staff. Growth is associated with increases in revenue and larger paid staff complements.

## **Volunteer and Paid Staff Numbers Appear to Complement Each Other**

- Increases in volunteer complements are associated with increases in paid staff complements. Fifty-one percent of organizations reporting increases in paid staff also increased their volunteer numbers.

## **Capacity Problems may be Keeping Organizations from Fulfilling Their Missions**

- Some of the most frequently cited capacity problems include difficulty recruiting the type of volunteers needed (64%), difficulty planning for the future (63%), difficulty obtaining board members (58%), difficulty retaining volunteers (57%), and difficulty in obtaining funding from individuals (51%).
- Organizations that are externally funded also frequently cite reductions in government funding (65%), the reluctance of funders to fund core operations (62%), and over-reliance on project funding (60%).
- Capacity problems vary by revenue size, primary activity, and revenue source. Moderate revenue organizations, Hospitals, Universities and

Colleges, and organizations dependent on government revenue tend to report more capacity problems than on average.

# Introduction

This report presents the first comprehensive portrait of nonprofit and voluntary organizations in the region of Manitoba, Saskatchewan and the Territories. It also provides comparison with national trends and with those in other regions (British Columbia, Alberta, Ontario, Quebec, and the Atlantic region). There are more than 17,000 nonprofit and voluntary organizations in Manitoba, Saskatchewan and the Territories. This constitutes 752 organizations per 100,000 population, the highest density of any region in Canada. These organizations are involved in a broad range of activities that relate to diverse aspects of community life. The two most-common areas of primary activities in this region are Religion (23%) and Sports and Recreation (21%), comparable to the national averages. In the region, these organizations engage more than 13 million members, but most are public benefit rather than exclusive member benefit organizations (64% serving both members and non-members or the public only).

In the region, nonprofit and voluntary organizations are a major economic sector, accumulating more than \$12 billion dollars of revenue in 2003. In addition they received an estimated \$154 million dollars worth of in-kind donations of materials and goods and business and professional services.

Nonprofit and voluntary organizations in Manitoba, Saskatchewan and the Territories engaged more than 2 million volunteers in 2003, as well as almost 175,000 employees. This number of employees constitutes 13% of the regional labour force (Hall, 2005).

Finally, organizations report a number of challenges that may limit their capacity to fully accomplish their missions.

# Methodology

NSNVO data were collected by Statistics Canada via personal interviews with 13,000 individuals representing incorporated nonprofit organizations and registered charities<sup>1</sup> in 2003. The NSNVO defines nonprofit and voluntary organizations as:

- non-governmental (i.e., are institutionally separate from government);
- non-profit distributing (i.e., do not return any profits generated to their owners or directors);
- self-governing (i.e., are independent and able to regulate their own activities);
- voluntary (i.e., they benefit to some degree from voluntary contributions of time or money); and
- formally incorporated or registered under specific legislation<sup>2</sup> with provincial, territorial, or federal governments.

## *Symbols:*

The following symbols have been used in this publication:

\* Suppressed to meet the confidentiality requirements of the *Statistics Act*.

E Use with caution.

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<sup>1</sup> Registered charities are organizations that have obtained registered charitable status from the Government of Canada.

<sup>2</sup> The NSNVO excluded grass-roots organizations or citizens' groups that are not formally incorporated or registered with provincial, territorial, or federal governments. It also excluded some registered charities that are considered to be public sector agencies (e.g., school boards, public libraries, and public schools)

# Key Characteristics

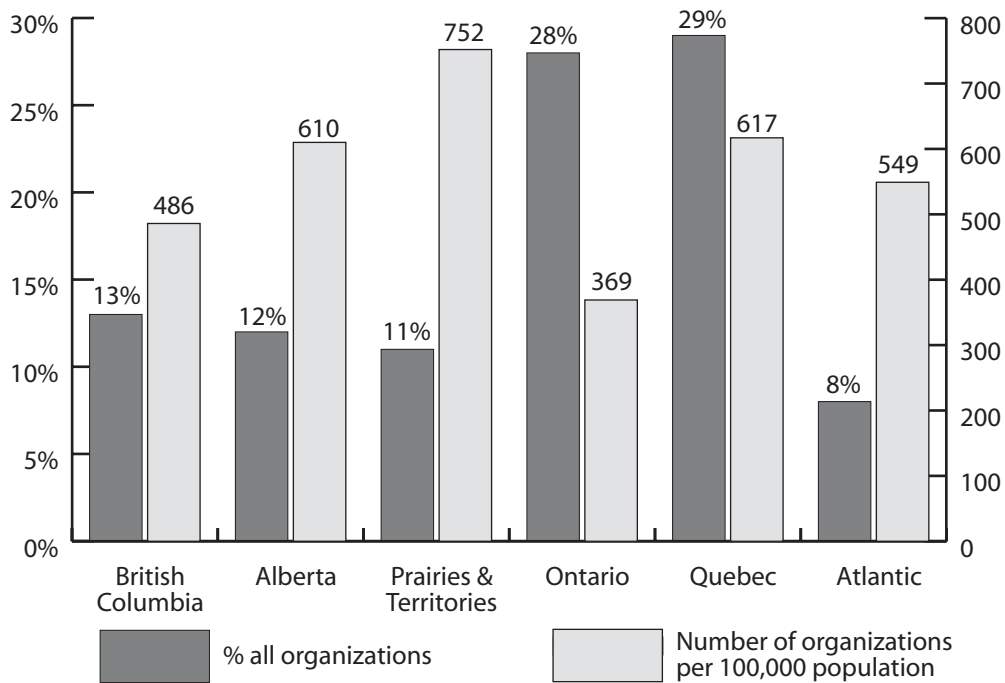
## How many voluntary and nonprofit organizations are there in the region?

In Manitoba, Saskatchewan and the Territories, there were 17,034 voluntary and nonprofit organizations operating in 2003. This constitutes 11% of the 161,227 voluntary and nonprofit organizations in Canada as a whole. However, the region contained only 7% of Canada's population. In terms of individual provinces, Manitoba housed 8,220 organizations (5% of the national total) while containing only 4% of the Canadian population (see Figure 1). Saskatchewan was home to 7,963 organizations (again, 5% of the national total), but comprised only 3% of the Canadian population. The Territories collectively included 851 organizations (1% of the national total): but contained only 0.2% of the Canadian population. Manitoba ranked fifth among provinces and the Territories in its total number of organizations, while Saskatchewan ranked sixth. Collectively, the Territories had the fewest organizations. These figures are proportional to the rankings of these provinces and Territories in their percentage of Canada's population.

Controlling for population density, Manitoba, Saskatchewan and the Territories collectively have the highest number of voluntary and nonprofit organizations (752 per 100,000 population) of any region in Canada. This figure is 22% higher than the region with the next highest density-- Quebec, with 617 organizations per 100,000 population.

Examining individual provinces and the Territories separately, the Territories report the highest density in Canada, with 825 organizations per 100,000 residents. Saskatchewan ranks second, with 800 organizations per 100,000 population, and Manitoba ranks third, with 705 organizations per 100,000 population. This elevated density might reflect a number of factors. For instance, the distribution of a small population over large geographic areas resulting in many relatively isolated settlements may be a factor. In addition, the tradition of Prairie populism (Laycock, 1990), may lead to a preference for community engagement and service through voluntary and nonprofit organizations. Regardless of the reasons, voluntary and nonprofit organizations are clearly important features of the social and economic landscape of the Manitoba, Saskatchewan and the Territories region.

**Figure 1: Percentage of organizations and number of organizations per 100,000 population by region**



## What do voluntary and nonprofit organizations in the region do?

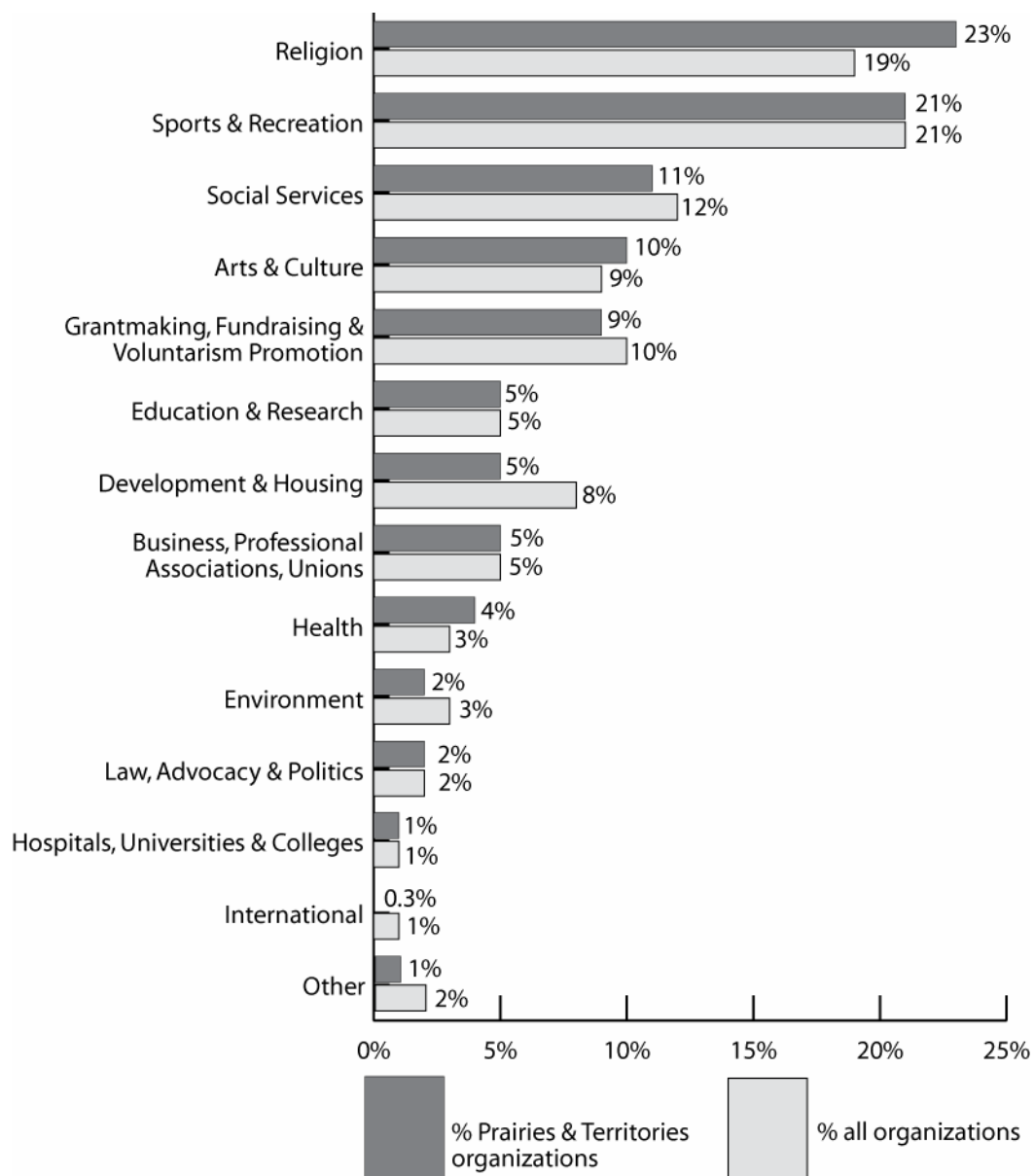
Organizations were asked to describe their primary activity areas according to a classification system based on the International Classification of Nonprofit Organizations (Salamon & Anheier, 1997). Each organization could select only one activity area, so these findings are not an indication of the total number of organizations involved in a particular area. However, they do reflect organizations' primary activity area.

Figure 2 describes the percentage of organizations identifying their primary area of activity in Manitoba, Saskatchewan and the Territories, and in Canada as a whole. Three observations can be made about the region. First, there is a great variety of activity, with organizations represented in every activity area with the possible exception of the international area with too small a number to register above zero. Second, the two areas of primary activity that include the most organizations are Religion (23%) and Sports and Recreation (21%). The third observation is that moderate numbers of this region's organizations are involved in Social Services (11%), Arts and Culture (10%), and Grantmaking, Fundraising, and Voluntarism Promotion (9%).

It should also be noted that observed regional patterns do not vary greatly from the national pattern. The Religion category is somewhat larger in the region than nationally

(23% versus 19%), and the Development and Housing category has a somewhat smaller presence in the region (5% versus 8%). There are also some interesting differences between this and some other regions. For example, in most regions, including Manitoba, Saskatchewan and the Territories, Religion is the primary activity area. However, this is different in both Quebec and Alberta. In Alberta it is the second-largest category (19% of Alberta organizations), and in Quebec it is the third largest (11%). The Development and Housing category contains a higher percentage of organizations in British Columbia (9%), Ontario (9%) and Quebec (8%) than it does in this region (5% versus 8% nationally).

**Figure 2: Percentage of organizations by primary activity area**



## How are organizations in the region legally constituted?

Very important legal differences exist between nonprofit and voluntary organizations that are registered as charities with the Canada Revenue Agency and those that are not. For example, registration as a charity involves certain advantages in resource assembly. These include the capacity to provide receipts for donations that can be used by individuals and corporations to claim tax credits as well as being constituted as qualified donees for charitable foundations. However, charities are restricted in their allocation of resources in that most must be allocated to charitable activities, and that no more than 10% can be used for political activities, which must be ancillary and incidental to charitable activities. Moreover, these political activities must be non-partisan. These limitations, as well as concerns about how they will be applied, have sometimes been implicated in limiting the role of charities in policy advocacy (Institute for Media, Policy and Civil Society, 2004).

Nationally, 56% of nonprofit and voluntary organizations are charities. However, in the Manitoba, Saskatchewan and the Territories, the percentage is slightly higher at 60%. This higher percentage may be due to the larger representation of organizations in the Religion category in this region, since organizations in this category are more likely to be registered charities. There is also substantial variation within the region. Manitoba (62%) and Saskatchewan (61%) are above the national average, while the Territories (37%) are well below. In fact, organizations in the Territories are the least likely to be registered charities.

## Who do regional organizations serve?

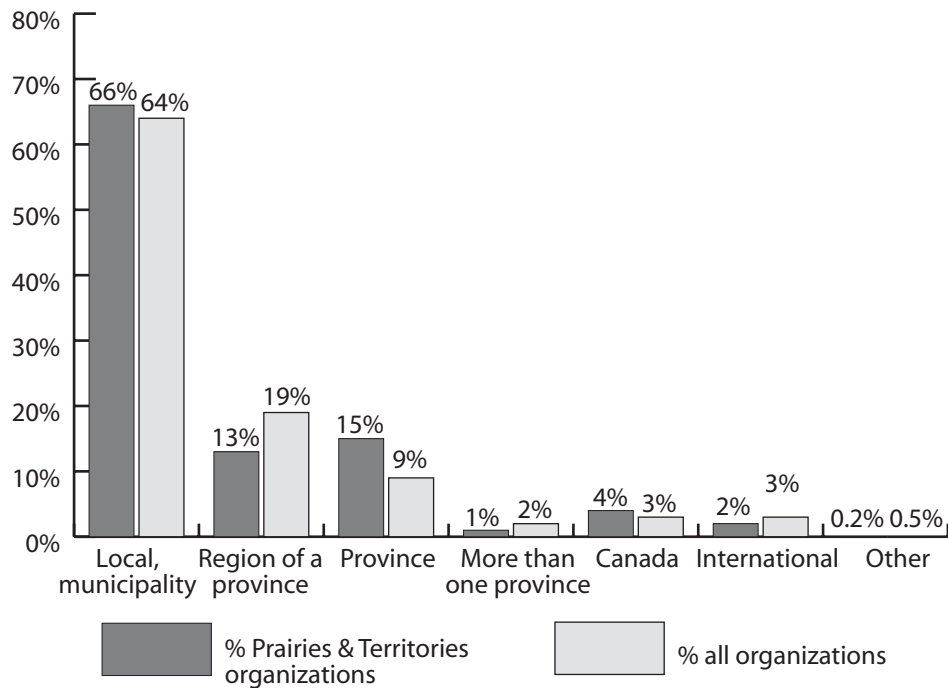
In Manitoba, Saskatchewan and the Territories, voluntary and nonprofit organizations tend to be locally focused in the geographic areas that they serve. Figure 3 displays the percentage of organizations serving each geographic unit in the region. Two-thirds (66%) serve a neighbourhood, city, town, or rural municipality. The next highest categories are a province (15%), or a region of a province (13%).

Figure 3 provides similar data for all of Canada combined. The region approximates to the Canadian pattern with only slight exceptions. Fewer (13% versus 19%) regional organizations serve a region of a province and more (15% versus 9%) serve an entire province. This may relate to the relatively small populations of the provinces and Territories within this region.

When compared to other regions, Manitoba, Saskatchewan and the Territories exhibit the second-highest percentage of organizations serving a neighbourhood, city, town, or rural municipality (66%). It is exceeded only by Alberta (74%). The Manitoba, Saskatchewan and the Territories region also includes the highest percentage of any

region serving an entire province (15%). It is tied with Alberta (13% of organizations) for the lowest percentage of organizations serving a region of a province.

**Figure 3: Main geographic areas served**



The overwhelming majority (83%) of voluntary and nonprofit organizations in the region provide services directly to people as opposed to serving other organizations. This is significantly higher than the percentage serving people throughout Canada as a whole (73%). Figure 4 displays the percentage of organizations serving various populations in Manitoba, Saskatchewan and the Territories and throughout Canada. These data refer only to those organizations providing products and services to people. Turning first to the region, there is a great deal of variation in the types of populations served. However, almost half (48%) of the organizations provide goods and products to the general public. Other categories of populations served by significant numbers of organizations include children and young people (22%), and the elderly (16%).

The pattern in the region coheres closely with the national pattern, but with some notable differences. More organizations serve the elderly (16% versus 11% nationally) and Aboriginal people (5% versus 2% nationally). In fact, the Manitoba, Saskatchewan and the Territories region exhibits the highest percentage of organizations serving the elderly of any region, and it is tied with British Columbia for the highest percentage of organizations serving Aboriginal people. This pattern may reflect a higher proportion of Aboriginal people and the elderly in the region. Manitoba, Saskatchewan and the Territories also contains the second-highest percentage of organizations serving the general public (48%), exceeded only by the Atlantic region (55%)

**Figure 4: Population served**

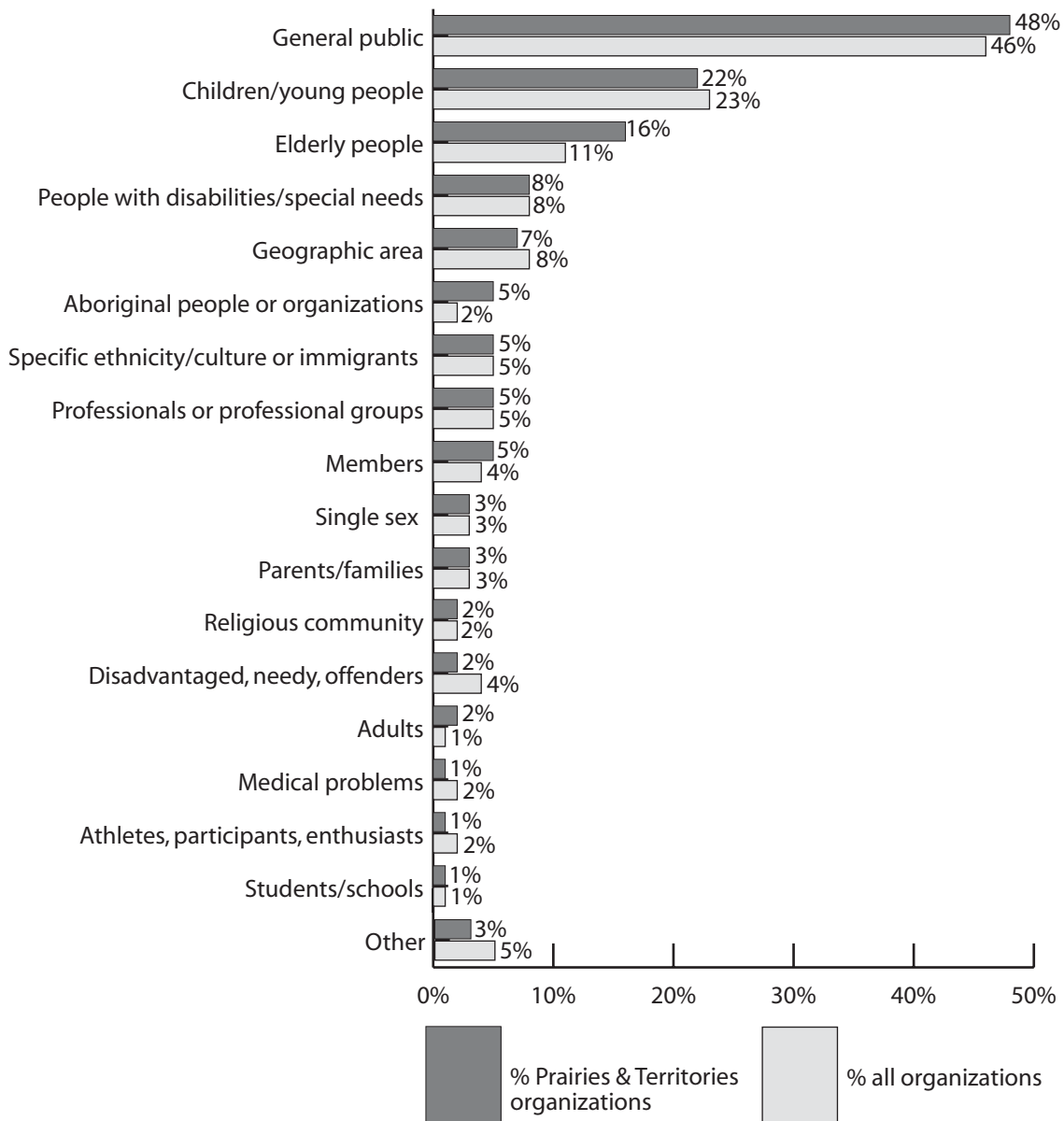
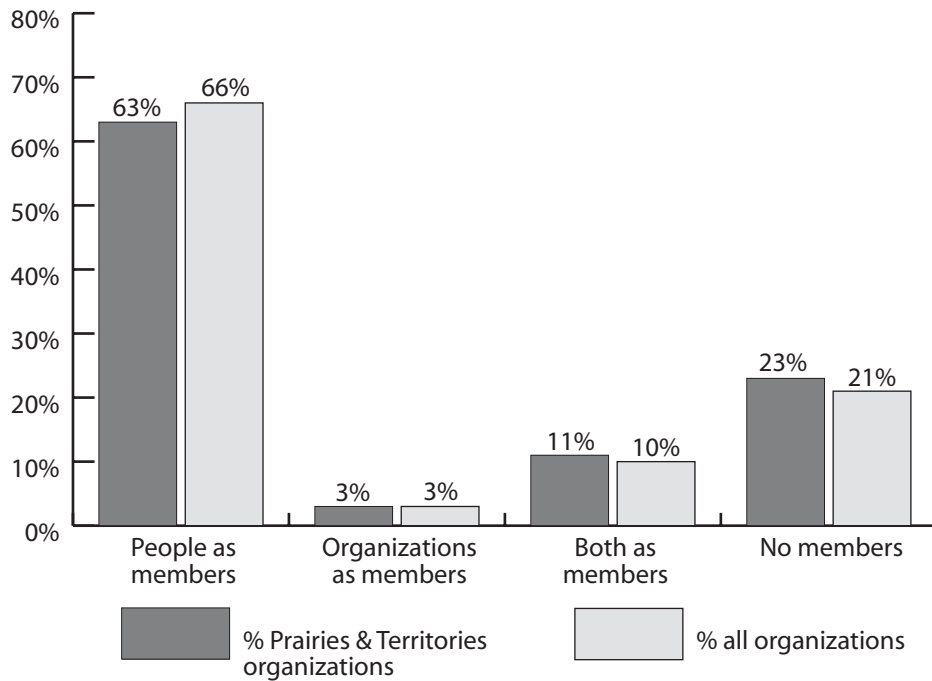


Figure 5 describes the distribution of membership types of voluntary and nonprofit organizations in Manitoba, Saskatchewan and the Territories. Note that almost one-quarter of organizations (23%) report no members, while most (63%) report that their members are people rather than other organizations. Only a small number (3%) report that their members are exclusively organizations, while more than one in ten (11%) report that their membership consists of both people and organizations. The regional distribution approximates the national distribution, with the region exhibiting slightly fewer organizations (63% versus 66%) with people exclusively as members.

**Figure 5: Membership composition**

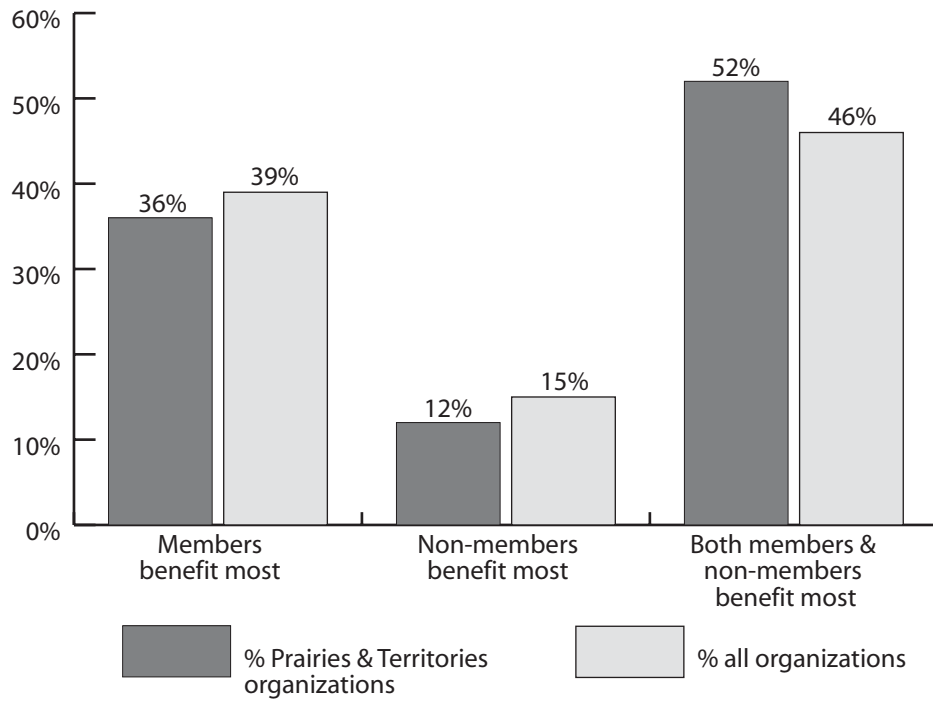


According to organizations' own definitions of person-oriented membership, nearly 13.5 million members were identified in Manitoba, Saskatchewan and the Territories.

An important public policy question relates to whether voluntary and nonprofit organizations provide benefits primarily to their members or to a larger constituency of public beneficiaries. Figure 6 displays the reports of organizations with people as members as to who benefits most from their services or products in Manitoba, Saskatchewan and the Territories. Most (52%) organizations indicate that both members and non-members benefit equally. Slightly more than one in eight organizations (12%) report that non-members benefit most and three times as many (36%) report that members benefit most.

Figure 6 displays similar data for all of Canada. A higher percentage of Manitoba, Saskatchewan and the Territories' regional organizations (52% versus 46% nationally) identify both members and non-members as their primary beneficiaries. This is the second-highest percentage of any region, exceeded only by the Atlantic region (55%). Correspondingly fewer organizations in Manitoba, Saskatchewan and the Territories identify members exclusively (36% versus 39%) and non-members (12% versus 15%) as beneficiaries than is true for Canada as a whole. Most voluntary and nonprofit organizations with people as members in Canada (73%) and in Manitoba, Saskatchewan and the Territories (72%) identify no special privileges of membership beyond voting rights and receiving a newsletter.

*Figure 6: Primary beneficiaries of services or products*



# Financial Resources

The description of the financial resources of voluntary and nonprofit organizations is important for at least two reasons. First, the adequacy of the resource pool is a necessary, but not sufficient, element in the capacity of organizations to accomplish their missions. Second, the volume of revenue generated by the voluntary and nonprofit sector is a good indication of the role that it plays in the economy.

## What are the sizes of revenue in regional organizations?

In 2003, voluntary and nonprofit organizations in Manitoba, Saskatchewan and the Territories reported more than \$12 billion dollars<sup>3</sup> in revenue. Manitoba organizations reported the highest total revenue in the region with \$7.6 billion, Saskatchewan organizations reported nearly \$3.7 billion, and organizations in the Territories accounted for \$1.2 billion.<sup>4</sup> The average revenue per organization in the region is highest in the Territories (\$1.4 million), second-highest in Manitoba (\$927,000), and lowest in Saskatchewan (\$460,000).

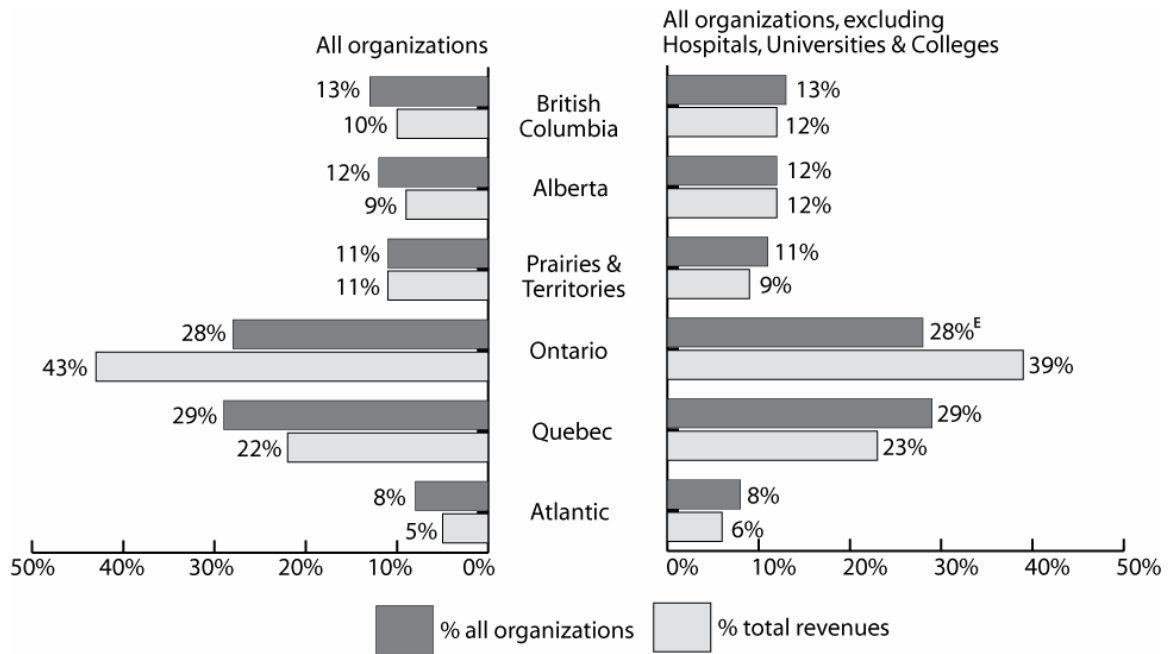
Figure 7 describes the percentage of revenue reported in each region compared to the percentage of organizations. Manitoba, Saskatchewan and the Territories report revenue (11% Canadian total) exactly proportional to the percentage of organizations it contains (11%). Figure 7 also shows the picture when we exclude Hospitals, Universities and Colleges. Manitoba, Saskatchewan and the Territories still contains 11% of organizations, but reported only 9% of revenue. Regional Hospitals, Universities and Colleges evidently generate a higher percentage of revenue than the average for other organizations.

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<sup>3</sup> This includes transfers received from other voluntary and nonprofit organizations.

<sup>4</sup> Provincial/territorial totals do not add to overall total due to rounding.

*Figure 7: Percentage of organizations and percentage of total revenue by region*



<sup>E</sup> use with caution

## How is revenue distributed across regional organizations?

Figure 8 displays the distribution of organizations in Manitoba, Saskatchewan and the Territories across revenue size categories. A small number of organizations account for most revenue and a large number for only a small portion of revenue. For example, the less than 1% of organizations with revenue of \$10 million or more account for 38% of total revenue, and the 44% of organizations with revenue of less than \$30,000 account for only 1% of all revenue. This pattern is similar to the national average with a couple of exceptions: This region exhibits the second lowest percentage of revenue generated by organizations with revenue of \$10 million or more, after Quebec (36% of Quebec revenue), and the second-highest percentage of organizations, (tied with British Columbia), after the Atlantic region (46% of organizations in the Atlantic region) with revenue of less than \$30,000.

**Figure 8: Percentage of organizations and percentage of total revenue by revenue size, excluding Hospitals, Universities and Colleges**

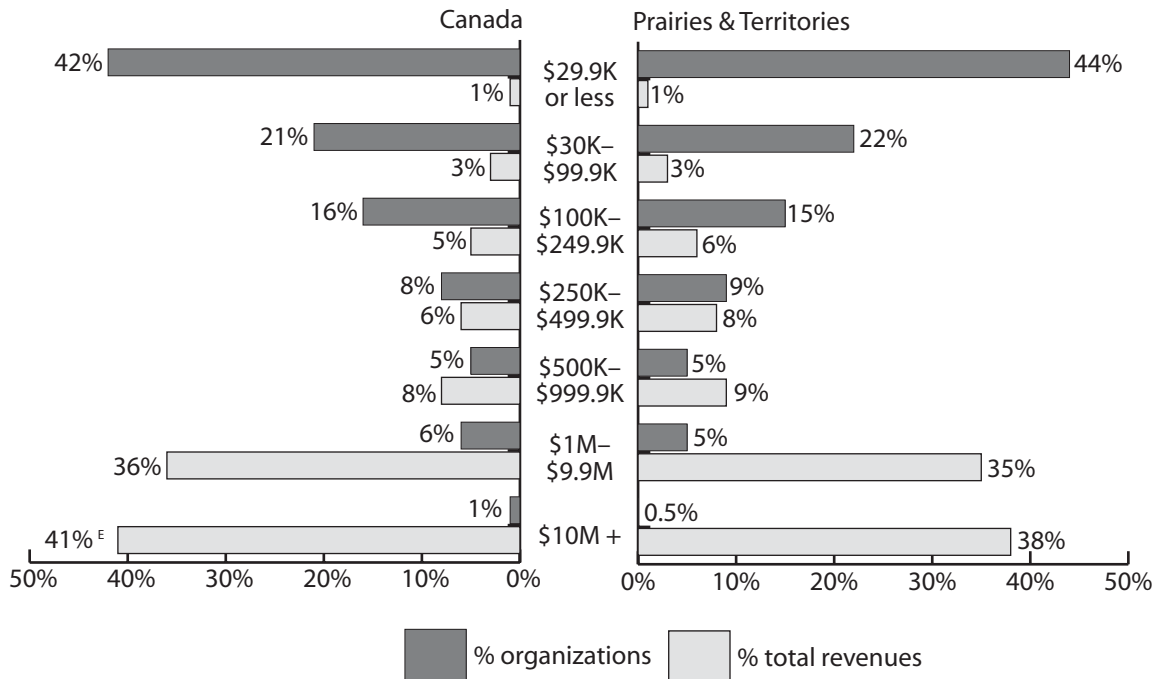
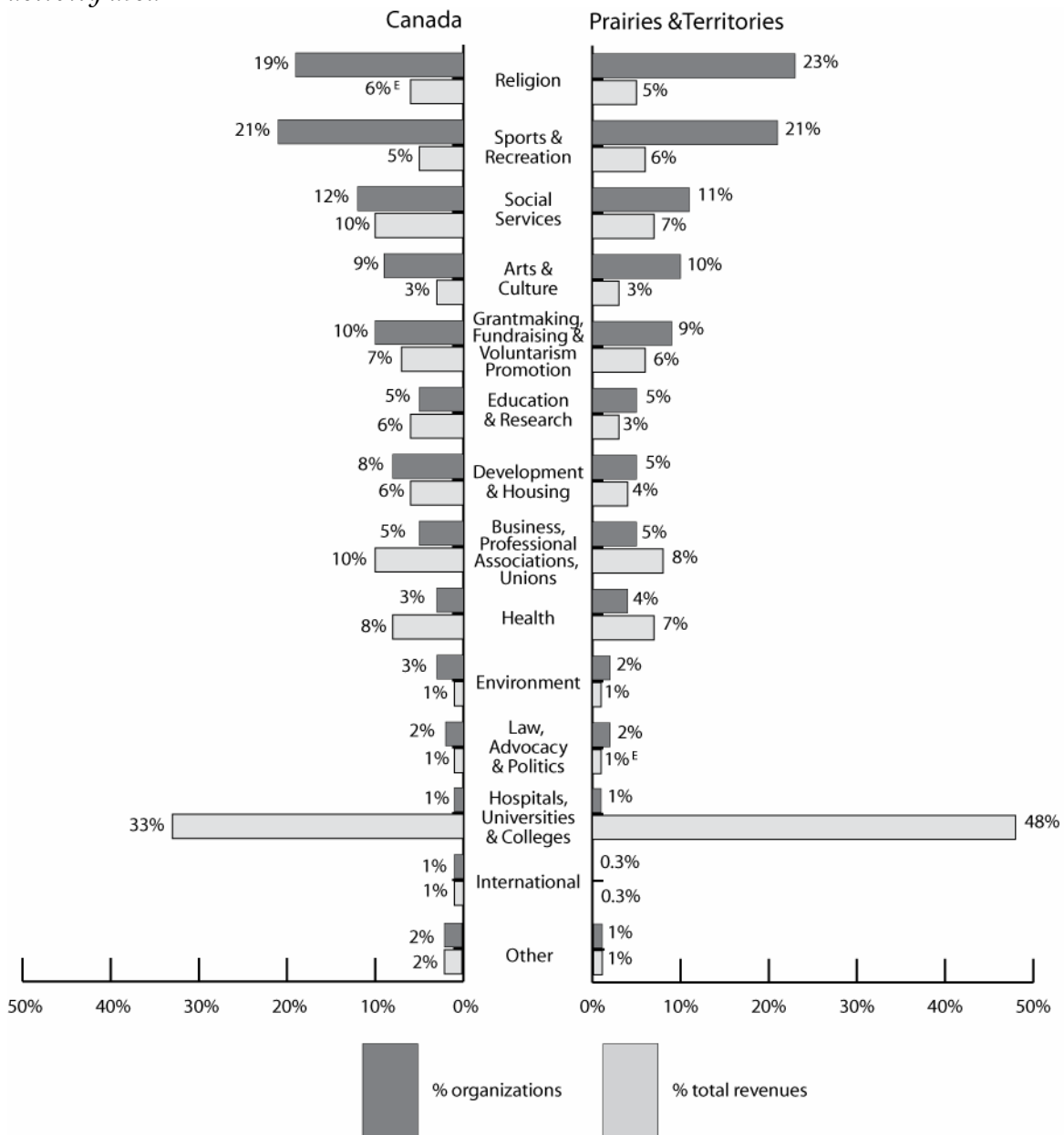


Figure 9 displays the percentage of total revenue for organizations in each primary activity area in Manitoba, Saskatchewan and the Territories. A striking feature of these figures is that Hospitals, Universities and Colleges constitute 1% of organizations but account for almost half (48%) of revenue. Conversely, organizations in the Religion category constitute 23% of organizations, but account for only 5% of the revenue. Similarly, Sports and Recreation organizations constitute 21% of organizations, but account for only 6% of total revenue. At the national level, Hospitals, Universities and Colleges account for a much smaller proportion of revenue.

Compared to other regions, Manitoba, Saskatchewan and the Territories represent the highest percentage of revenue (10% higher than the second highest, Ontario, at 38%) reported by Hospitals, Universities and Colleges, with these kinds of organizations representing 1% or less of organizations in every region. The percentage of revenue reported by Religious organizations is lowest (5%) in Manitoba, Saskatchewan and the Territories and in Quebec. However, Religious organizations constitute only 11% of Quebec organizations, but 23% of Manitoba, Saskatchewan and the Territories’ organizations. Evidently, Religious organizations report a disproportionately small amount of revenue in Manitoba, Saskatchewan and the Territories.

**Figure 9: Percentage of organizations and percentage of total revenue by primary activity area**



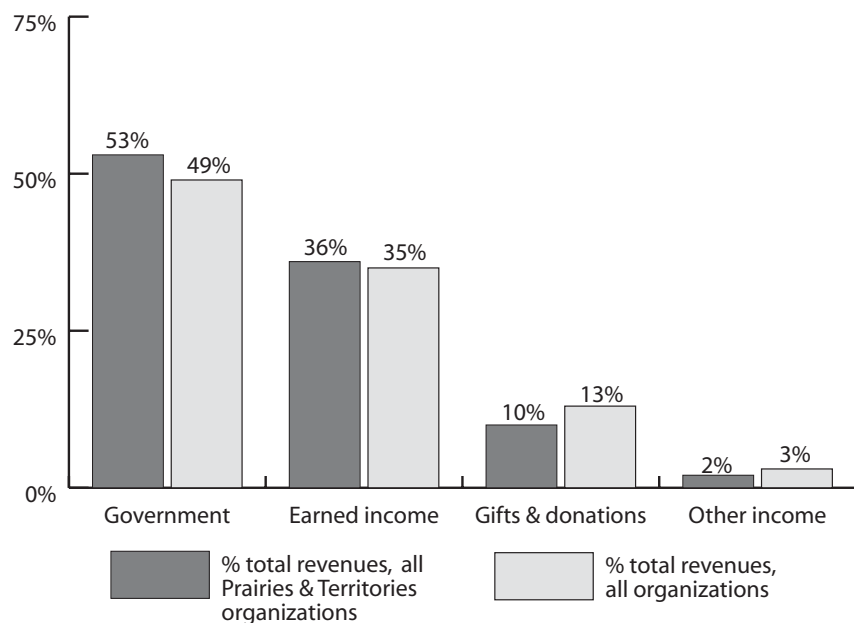
<sup>E</sup> use with caution

## How do regional organizations generate revenue?

Figure 10 describes sources of revenue for the sector. In Manitoba, Saskatchewan and the Territories, governments provide more than half of voluntary and nonprofit organizations' total revenue (53%). This includes payments for goods and services and grants and contributions from all levels of government. There is significant variation among the provinces and territories in the region, with Saskatchewan's organizations receiving 56% of their revenue from government, Manitoba's organizations receiving 54%, and organizations in the Territories receiving only 35%. At the national level, government revenue are relatively less important (49% versus 53%), and gifts and donations are relatively more important (13% versus 10%).

In the entire Manitoba, Saskatchewan and the Territories region, earned income accounts for 36% of revenue. This includes revenue from charitable gaming, membership fees, fees for goods and services, and investment income. Again, there is significant variation within the region, with organizations in the Territories reporting 60% of their revenue from earned income, Manitoba's organizations reporting 34%, and Saskatchewan's organizations reporting only 31%. Gifts and donations from individuals, corporations, nonprofit organizations, family foundations, and fundraising organizations account for 10% of revenue in the region. In each of Manitoba and Saskatchewan, gifts and donations accounted for 10%, but for much less in the Territories (4%).

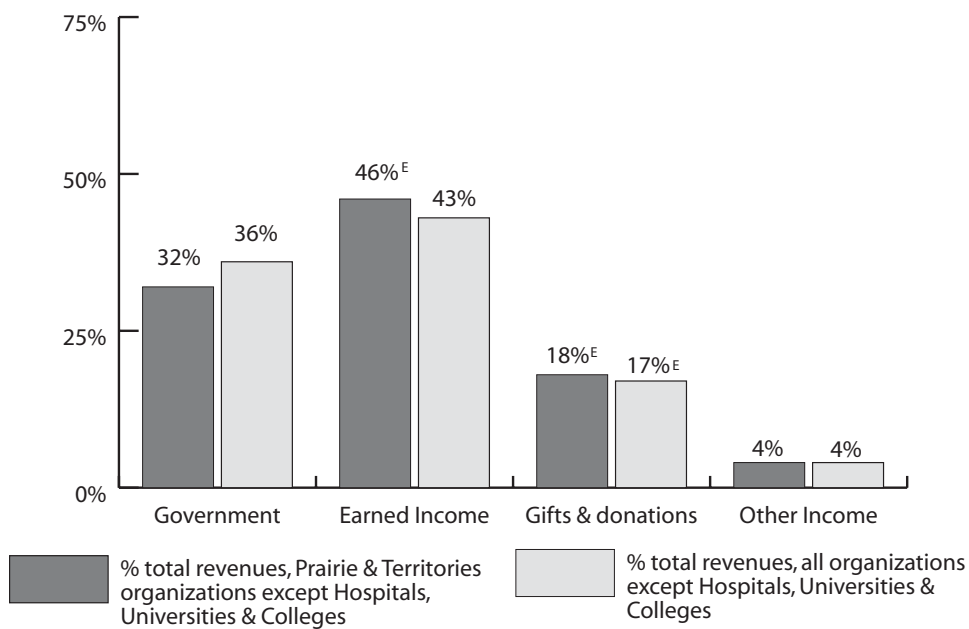
**Figure 10: Sources of revenue**



When Hospitals, Universities and Colleges are removed from the figures, the highest percentage of revenue for all other regional organizations is from earned income (46%<sup>E</sup>, see Figure 11), with governments providing slightly less than one-third of revenue (32%). Gifts and donations are also a relatively more important source of revenue (18%<sup>E</sup>) once Hospitals, Universities and Colleges are excluded.

With Hospitals, Universities and Colleges excluded, the pattern is reversed, with regional government revenue sources becoming relatively less important than in the rest of Canada (32% versus 36%) and regional earned income sources becoming relatively more important (46% versus 43%) than for Canada as a whole.

**Figure 11: Sources of revenue, excluding Hospitals, Universities and Colleges**



<sup>E</sup> use with caution

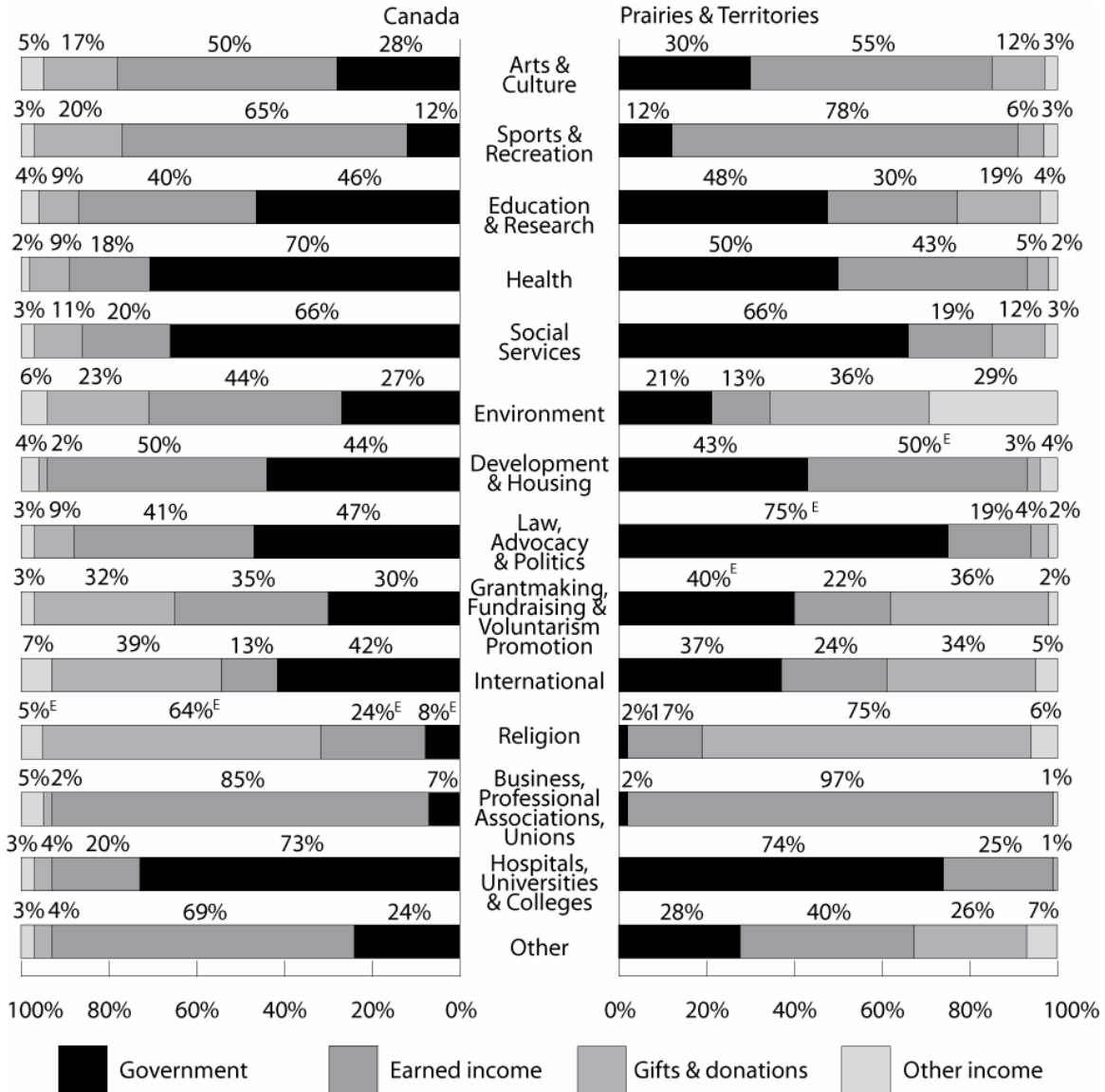
## Do regional organizations with different primary activities generate revenue from different sources?

Figure 12 shows the percentage of revenue received from various sources by organizations involved in each primary activity category in Manitoba, Saskatchewan and the Territories. There is clearly a great deal of variation. Law, Advocacy and Politics organizations (75%<sup>E</sup>), Hospitals, Universities and Colleges (74%), and Social Services

<sup>E</sup> use with caution

(66%) receive most of their revenue from governments. By contrast, Business or Professional Associations or Unions (97%), Sports and Recreation organizations (78%), and Arts and Culture organizations (55%) receive most of their revenue from earned income. Religious organizations receive most of their revenue from gifts and donations (75%).

Figure 12: Sources of revenue by primary activity area



<sup>E</sup> use with caution

Although the general pattern is consistent between this region and Canada, there are some noteworthy differences for particular types of organizations. For example, regional Sports and Recreation organizations are more dependent on earned income (78% versus 65%) but less dependent on gifts and donations (6% versus 20%) than their national

counterparts. Regional Education and Research organizations are less dependent on earned income (30% versus 40%) and more dependent on gifts and donations (19% versus 9%) than similar organizations across Canada. Regional Health organizations are less dependent on government revenue (50% versus 70%) and more dependent on earned income (43% versus 18%). Thus, while the overall pattern is similar, there are important differences in the revenue sources of particular types of organizations.

## How much do organizations of varying revenue sizes rely on different revenue sources?

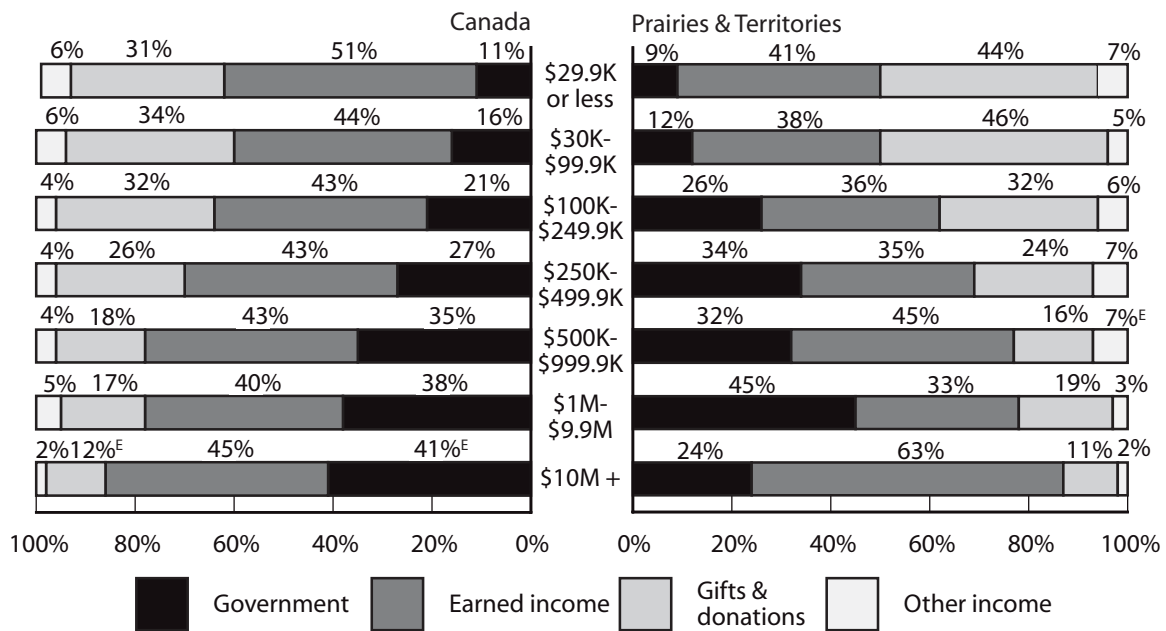
Figure 13 describes the relative importance of various sources of revenue for organizations of varying revenue sizes for Manitoba, Saskatchewan and the Territories. Because of their heavy reliance on government revenue, the analysis excluded Hospitals, Universities and Colleges. On average, regional organizations receive 32% of their revenue from government funding. Smaller revenue organizations (from \$0 to \$249,999) tend to receive less (from 9% to 26%) than this, and moderate revenue organizations (\$250,000 to \$499,999) tend to receive slightly more (34%); the largest organizations (\$10,000,000 or more) however, also tend to receive less than the average (24%). Gifts and donations tend to be more important for smaller organizations. For example, organizations with revenue below \$30,000 report that 44% of their revenue comes from gifts and donations, and organizations with revenue of \$10,000,000 and above report only 11% of their revenue coming from gifts and donations. With respect to earned income, it seems to decrease with increasing revenue with two important exceptions. Organizations with revenue of \$500,000 to \$999,999 and those with revenue of \$10,000,000 or more have higher percentages of earned income (45% and 63% respectively) than those with the lowest revenue (41%).

At the national level, the positive relationship between revenue size and receipt of government revenue is more definitive. Particularly interesting is the finding that regional organizations with revenue of \$10,000,000 or more are likely to receive a much smaller percentage of their revenue from government sources than their counterparts throughout Canada (24% versus 41%<sup>E</sup>). Regional organizations in this category also receive a much larger percentage of their revenue (63% versus 45%) from earned income than do their national counterparts.

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<sup>E</sup> use with caution

**Figure 13: Sources of government revenue by revenue size, excluding Hospitals, Universities and Colleges**



<sup>E</sup> use with caution

## Do the percentage of organizations and value of donations they receive vary by primary activity area?

Figure 14 describes the percentage organizations and the value of total donations they receive in Manitoba, Saskatchewan and the Territories according to primary activity area. Individual donations are the most important component of the gifts and donations category. Nationally, individual donations constitute approximately 59% of the entire category and are valued at a little over \$8.3 billion (see Tables 1 and 2). In Manitoba, Saskatchewan and the Territories they constitute 71% of the entire category and are valued at \$870 million. This constitutes 10% of the Canadian total, a share approximately equal to the 11% share of Canadian nonprofit and voluntary organizations housed in the region.

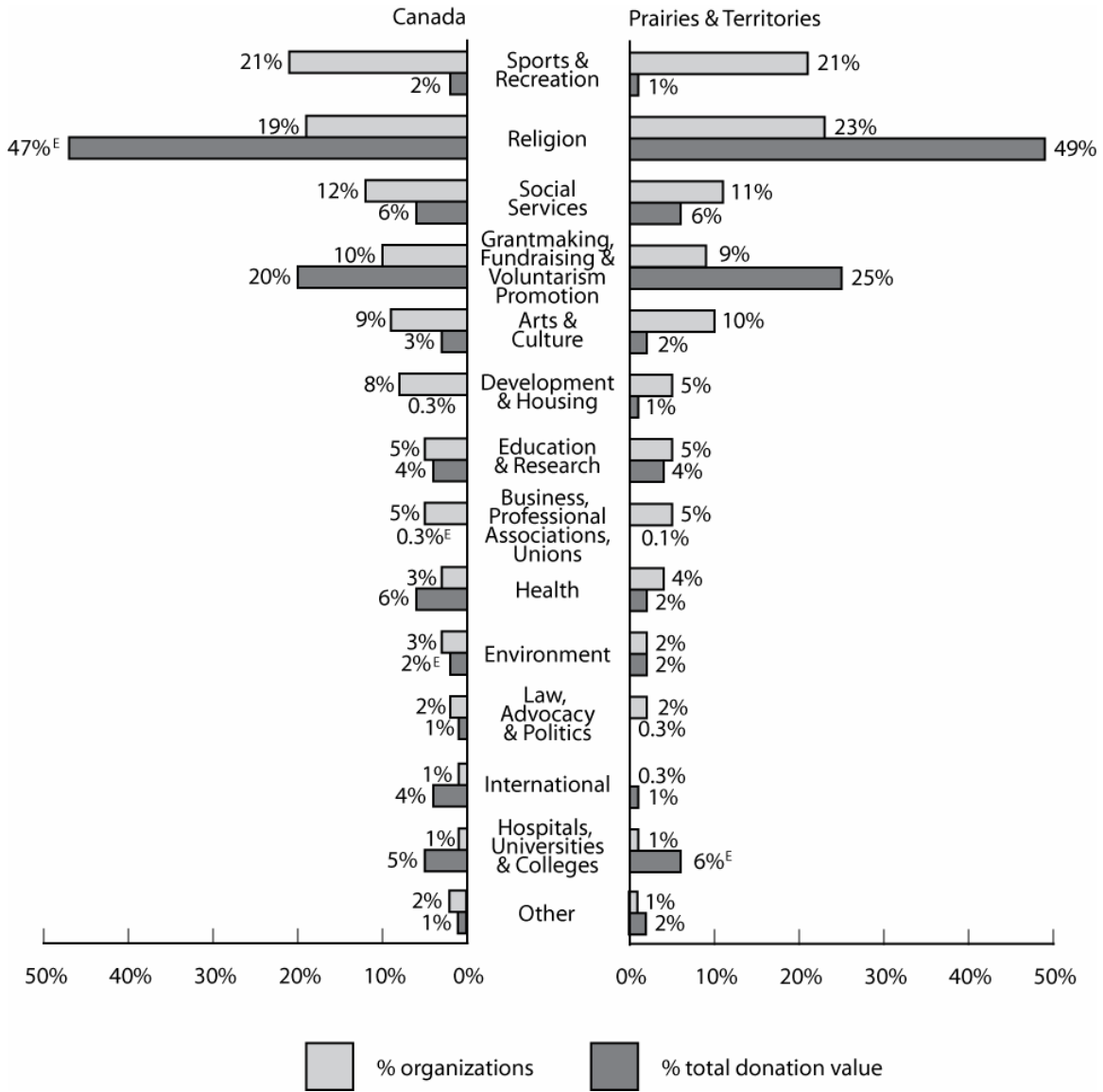
Some regional organizations receive a disproportionately higher percentage of the total value of donations in comparison with the percentage of organizations for which they account. For example, Religious organizations constitute almost a quarter of all regional organizations (23%), but donations to them account for almost half (49%) of the total value of donations in the region (see Figure 14). Hospitals, Universities and Colleges account for only 1% of the total, but donations to them constitute 6%<sup>E</sup> of the total.

<sup>E</sup> Use with caution

Similarly, organizations involved in Grantmaking, Fundraising, and Voluntarism Promotion account for less than one-tenth (9%) of organizations even though donations to them account for a disproportionate 25% of the total share of regional donations.

Conversely, some groups receive a disproportionately lower share of the total value of regional donations. For instance, Sports and Recreation organizations constitute more than one-fifth (21%) of regional organizations, but donations to them are valued at only 1% of all regional donations. Similarly, Social Services organizations constitute more than one-tenth of all regional organizations (11%) whereas their donations are valued at only 6% of the total value. Regional and national patterns of donations are quite similar, with only minor variations.

**Figure 14: Percentage of total number of organizations and percentage of total donation value by primary activity area**



<sup>E</sup> use with caution

*Table 1: Detailed sources of revenue*

	Prairies and Territories organizations		All organizations	
	Revenue	% total revenue	Revenue	% total revenue
Revenue from government				
Government payments for goods and services				
Payments from the federal government	\$124,087,597	1%	\$1,629,494,890	1%
Payments from provincial government	\$1,915,965,667	15%	\$17,202,528,730	15%
Payments from municipal government	\$37,439,084	0%	\$1,035,070,183	1%
Government payments from other	\$3,219,028	0%	\$85,258,416 <sup>E</sup>	0%
<b>Total government payments for goods and services</b>	<b>\$2,080,703,426</b>	<b>17%</b>	<b>\$19,952,383,088</b>	<b>18%</b>
Government grants and contributions				
Grants from the federal government	\$449,912,331	4%	\$6,039,958,845	5%
Grants from provincial government	\$3,940,679,581 <sup>E</sup>	32%	\$26,944,104,382	24%
Grants from municipal government	\$68,767,869	1%	\$1,068,108,183 <sup>E</sup>	1%
Government grants from other	\$36,173,995 <sup>E</sup>	0%	\$155,583,730	0%
<b>Total government grants and contributions</b>	<b>\$4,495,582,739</b>	<b>36%</b>	<b>\$34,207,876,777</b>	<b>31%</b>
<b>Total revenue from government</b>	<b>\$6,576,286,165</b>	<b>53%</b>	<b>\$54,160,259,865</b>	<b>49%</b>
Earned income from non-governmental sources				
Charitable gaming	\$236,011,610	2%	\$1,242,885,015	1%
Membership fees	\$1,063,431,593	9%	\$12,033,551,619	11%
Fees for goods or services (non-government)	\$2,521,169,747	20%	\$21,844,521,113	20%
Investment income (including interest)	\$640,297,978 <sup>E</sup>	5%	\$4,173,428,911	4%
<b>Total revenue from earned income</b>	<b>\$4,460,910,928</b>	<b>36%</b>	<b>\$39,294,386,657</b>	<b>35%</b>
Gifts and donations				
Individual donations	\$870,314,968	7%	\$8,369,669,565 <sup>E</sup>	8%
Fundraising organizations/family community foundations	\$78,223,061	1%	\$1,137,834,369	1%
Disbursements from nonprofits	\$142,704,241	1%	\$1,935,468,417	2%
Corporate sponsorships, donations or grants	\$138,592,858	1%	\$2,815,372,908	3%
<b>Total revenue from gifts and donations</b>	<b>\$1,229,835,129</b>	<b>10%</b>	<b>\$14,258,345,259</b>	<b>13%</b>
<b>Other income</b>	<b>\$235,170,984</b>	<b>2%</b>	<b>\$3,882,569,114</b>	<b>3%</b>
<b>Total revenue</b>	<b>\$12,502,203,205</b>	<b>100%</b>	<b>\$111,595,560,896</b>	<b>100%</b>

<sup>E</sup> use with caution

*Table 2: Detailed sources of revenue, excluding Hospitals, Universities and Colleges*

	Prairies and Territories organizations, excluding Hospitals, Universities & Colleges		All organizations, excluding Hospitals, Universities & Colleges	
	Amount	% Total revenue	Amount	% Total revenue
Revenue from government				
Government payments for goods and services				
Payments from the federal government	\$92,046,314	1%	\$1,505,063,091	2%
Payments from provincial government	\$653,212,118	10%	\$8,551,956,531	11%
Payments from municipal government	\$36,693,491	1%	\$1,001,668,540	1%
Government payments from other	\$3,219,028	0%	\$84,760,908 <sup>E</sup>	0%
<b>Total government payments for goods and services</b>	<b>\$785,163,001</b>	<b>12%</b>	<b>\$11,143,479,938</b>	<b>15%</b>
Government grants and contributions				
Grants from the federal government	\$411,659,160	6%	\$5,205,314,016	7%
Grants from provincial government	\$800,350,492	12%	\$9,756,379,277 <sup>E</sup>	13%
Grants from municipal government	\$68,721,986	1%	\$995,148,362 <sup>E</sup>	1%
Government grants from other	\$36,173,995 <sup>E</sup>	1%	\$119,625,599	0%
<b>Total government grants and contributions</b>	<b>\$1,316,954,597</b>	<b>20%</b>	<b>\$16,076,588,892<sup>E</sup></b>	<b>22%</b>
<b>Total revenue from government</b>	<b>\$2,102,117,598</b>	<b>32%</b>	<b>\$27,220,068,830</b>	<b>36%</b>
Earned income from non-governmental sources				
Charitable gaming	\$230,867,239	4%	\$1,229,768,874	2%
Membership fees	\$1,056,461,797	16%	\$11,699,530,741	16%
Fees for goods or services (non-government)	\$1,524,193,237	24%	\$15,843,379,066	21%
Investment income (including interest)	\$163,935,824	3%	\$3,196,448,914	4%
<b>Total revenue from earned income</b>	<b>\$2,975,458,097</b>	<b>46%</b>	<b>\$31,969,127,594</b>	<b>43%</b>
Gifts and donations				
Individual donations	\$818,576,614	13%	\$7,991,880,133 <sup>E</sup>	11%
Fundraising organizations/family community foundations	\$76,838,449	1%	\$993,244,007	1%
Disbursements from nonprofits	\$139,033,310	2%	\$1,242,260,766	2%
Corporate sponsorships, donations or grants	\$125,990,251	2%	\$2,575,685,869	3%
<b>Total revenue from gifts and donations</b>	<b>\$1,160,438,624</b>	<b>18%</b>	<b>\$12,803,070,775<sup>E</sup></b>	<b>17%</b>
<b>Other income</b>	<b>\$230,620,554</b>	<b>4%</b>	<b>\$2,770,494,686</b>	<b>4%</b>
<b>Total revenue</b>	<b>\$6,468,634,873</b>	<b>100%</b>	<b>\$74,762,761,886</b>	<b>100%</b>

<sup>E</sup> use with caution

## Do the contributions of different levels of government vary by primary activity?

Government funding is the largest source of revenue for voluntary and nonprofit organizations in Manitoba, Saskatchewan and the Territories, when Hospitals, Universities and Colleges are included. In this region the provincial and territorial governments provide the largest percentage of government funding (89%), with the federal government providing 9% and municipal governments only 2%. Total annual revenue from governments in the region are over \$6.5 billion (see Table 1).

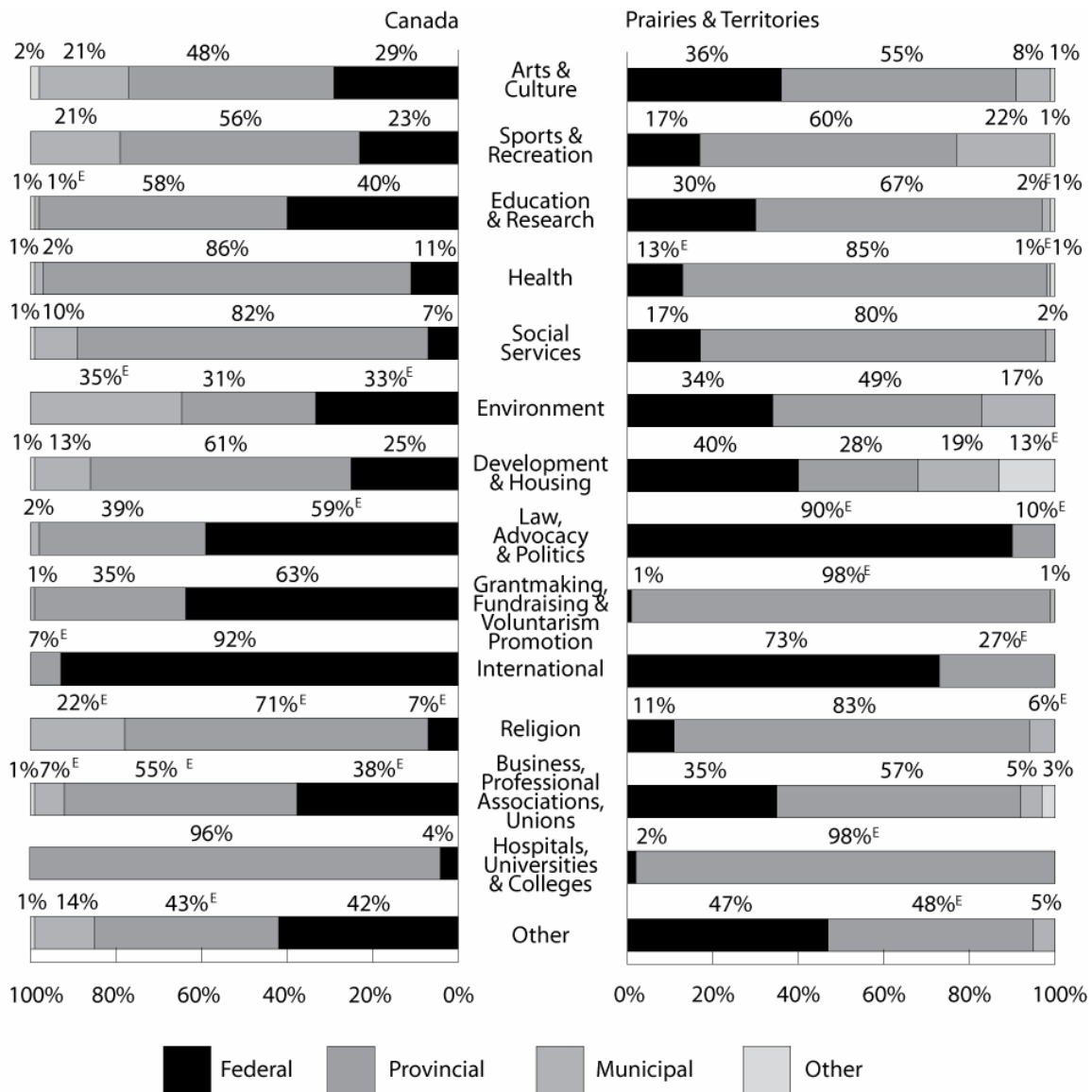
In this region, the federal government accounts for a lower percentage of government revenue than it does nationally (9% versus 14%), while provincial and territorial governments account for a higher percentage than is true nationally (89% versus 82%).

Figure 15 describes the percentages of government funding accounted for by each level of government in Manitoba, Saskatchewan and the Territories according to activity area. Provincial and territorial government funding is the highest for all types of organizations except for Development and Housing, where federal government funding (40%) is higher; Law, Advocacy, and Politics where federal government funding is higher (90%<sup>E</sup>), and the International category, where federal government funding also dominates (73%). Provincial and territorial governments provide more than half of government funding in Arts and Culture (55%), Sports and Recreation (60%), Education and Research (67%), Health (85%), Social Services (80%), Grantmaking, Fundraising and Voluntarism Promotion (98%<sup>E</sup>), Religion (83%), Business or Professional Associations or Unions (57%), and Hospitals, Universities and Colleges (98%). The highest percentages of municipal contributions are in Sports and Recreation (22%), Development and Housing (19%), and the Environment (17%) categories.

Some interesting differences from the national picture are evident. Regionally, municipal governments play far less of a role in funding Arts and Culture organizations (8% versus 21%), probably reflecting the absence of large urban concentrations in Manitoba, Saskatchewan and the Territories. In Education and Research, the federal government plays less of a role in the region than nationally (30% versus 40%). In Social Services, federal government (17% versus 7%) and municipal government (10% versus 2%) funders play more of a role nationally than regionally. For Environment organizations, the roles of provincial and territorial governments (49% regionally versus 31% nationally) and municipal governments (17% regionally versus 35% nationally) seem to be reversed, since provincial and territorial governments play a larger role regionally than they do nationally and municipal governments play a lesser role. In Development and Housing, regional provincial and territorial governments seem to play less of a role than they do nationally (28% versus 61%). The federal government plays a far greater

role in Law, Advocacy and Politics regionally (90%<sup>E</sup>) than it does nationally (59%<sup>E</sup>). The opposite is true of Grantmaking, Fundraising and Voluntarism Promotion in which the federal government plays a marginal role regionally (1%) but a dominant role nationally (63%). Provincial and territorial governments in the region play a significantly larger role (27%<sup>E</sup> versus 7%<sup>E</sup>) than they do nationally with International organizations.

**Figure 15: Sources of government revenue by primary activity area**



<sup>E</sup> use with caution

<sup>F</sup> Use with caution.

It is clear that, in general, provincial and territorial governments play a larger funding role in the region than nationally, and that the federal government plays a smaller role. However, it is also clear that the funding patterns of all three levels of government vary according to the primary activity of organizations between the national scene and the region.

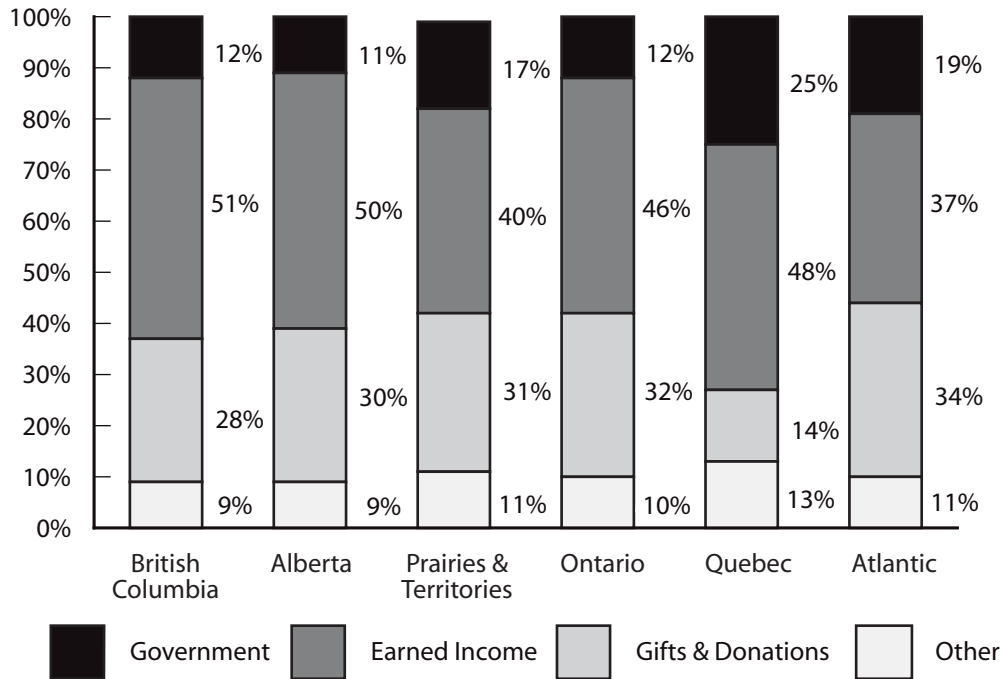
## How much revenue do regional organizations transfer to other organizations?

Transfers between voluntary and nonprofit organizations may occur for a number of reasons. They may be paying for goods and services provided by another organization. Organizations may be part of a larger structure, for example, transferring funds to national parent bodies or local affiliates. Moreover, the missions of some registered charities involve funding other voluntary and nonprofit organizations. Thirty-one percent of voluntary and nonprofit organizations in Manitoba, Saskatchewan and the Territories transferred funds to other organizations (27% nationally). Regionally, these transfers are substantial at \$705 million, or 6% of total revenue. Most of the funds (89%) are transferred to voluntary and nonprofit sector organizations in Canada. An additional 5% is transferred to governments in Canada and the remaining 6% is transferred to organizations outside of Canada.

## How many regional organizations are dependent on various revenue sources?

Organizations are classified as “dependent” on a particular revenue source if more than 50% of their revenue comes from that source, and as “diverse” if no single source constitutes more than 50% of their revenue. Figure 16 presents these data for each region in Canada. Forty percent of organizations in Manitoba, Saskatchewan and the Territories are dependent on earned income, lower than the national percentage by 6%. Thirty-one percent of regional organizations are dependent on gifts and donations, compared to the national percentage of 26%. Only 17% of regional organizations were dependent on government revenue, the same as the national percentage. Eleven percent of regional organizations reported diverse funding sources – the same as the national percentage.

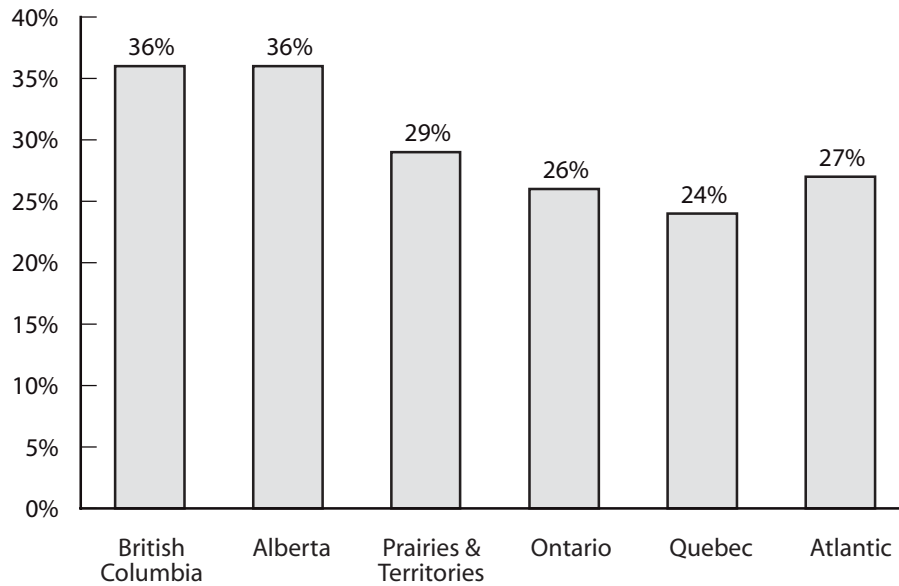
**Figure 16: Revenue dependency by region**



## How many regional organizations receive in-kind donations of goods and services, and what is their value?

In addition to financial revenue, in-kind donations of goods and services are an important part of the resources received by voluntary and nonprofit organizations. Figure 17 displays the number of organizations receiving in-kind donations in each region. In Manitoba, Saskatchewan and the Territories, 29% of organizations receive in-kind donations, similar to the national percentage of 28%. The regions with the highest percentage of organizations receiving in-kind donations (36%) were British Columbia and Alberta, and the region with the lowest percentage was Quebec (24%). The Manitoba, Saskatchewan and Territories region was the third-highest. The value of these goods and services in Manitoba, Saskatchewan and the Territories is \$154 million, or 1% of total revenue (see Tables 3 and 4). These in-kind donations are comprised of goods and materials (received by 21% of organizations), and business and professional services (received by 15% of organizations). Regionally, materials and goods are estimated to be worth over \$124 million and business and professional services are worth nearly \$30 million.

*Figure 17: Percentage of organizations receiving in-kind donations by region*



*Table 3: Percentage of organizations that receive in-kind donations*

	Prairies & Territories	Canada
Receive in-kind donations of goods and services	21%	21%
Receive in-kind donations of business services	15%	15%

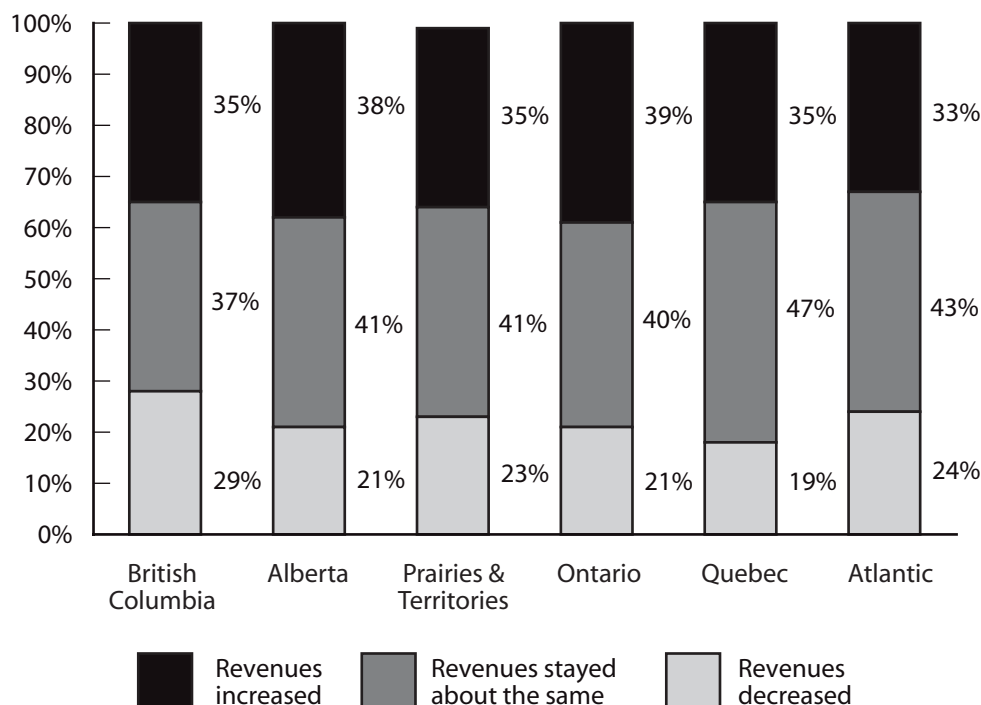
*Table 4: Approximate value of in-kind donations received by organizations*

	Prairies & Territories		Canada	
	Dollar value	Percentage of total revenue	Dollar value	Percentage of total revenue
Approximate value of in-kind donations of goods and services	\$124,507,080	1%	\$1,822,095,032	2%
Approximate value of in-kind donations of business services	\$29,868,776	0.2%	\$527,142,627	0.5%
Total revenue	\$12,502,203,205	100%	\$111,595,560,896	100%

## Are the revenue of regional organizations changing?

Figure 18 describes the pattern of revenue change of organizations in each region over the past three years. It includes only organizations that receive revenue and have been in existence for at least three years. In Manitoba, Saskatchewan and the Territories, 41% of organizations reported stable revenue (similar to the national percentage of 42%), 35% reported revenue increases (similar to the national percentage of 36%), and 23% reported decreases (similar to the national percentage of 22%). Higher revenue organizations in this region are more likely to increase their revenue (see Figure 19). Sixty-three percent of organizations with revenue of \$1 million dollars or above reported revenue increases over the past three years, while only 24% of those with revenue of under \$100,000 did so.

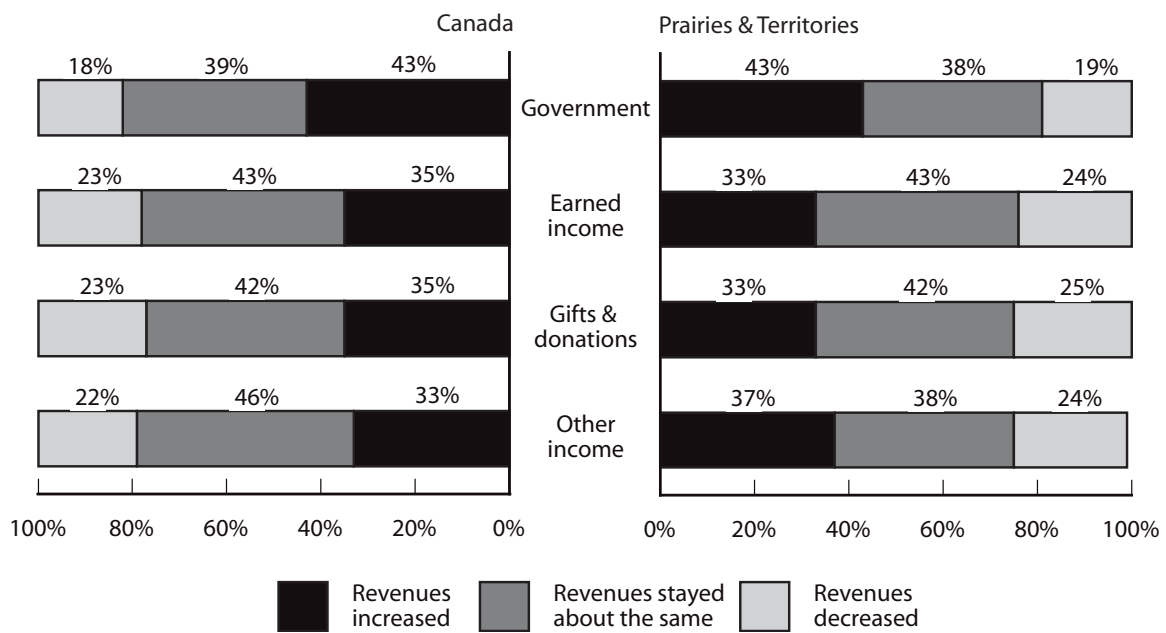
*Figure 18: Reported change in revenue over the past three years by region*



Across all regions, the percentage of organizations experiencing revenue increases ranged from 33% to 39%. A lower percentage (33%) of the Atlantic region's organizations experienced revenue increases, and a higher percentage of Ontario's (39%) and Alberta's (38%) organizations reported such revenue growth. Quebec and British Columbia were tied with Manitoba, Saskatchewan and the Territories at 35%.

Figure 19 describes the revenue pattern over the last three years for organizations in Manitoba, Saskatchewan and the Territories according to their resource dependency. Government revenue dependent organizations are more likely to report increased revenue (43%) than other organizations, although these increases are not necessarily due to increases in government funding. The most frequently occurring response for earned income dependent (43%), gifts and donations dependent (42%) and diversely funded organizations (38%), is stable funding. Diverse revenue organizations demonstrate a slightly higher tendency to report increases (37%) than earned income dependent (33%) and gifts and donations dependent organizations (33%). These patterns are quite similar to the national percentages.

**Figure 19: Reported change in revenue over the past three years by revenue dependency**



# Human Resources

Volunteers and paid employees are central to the fulfillment of the missions of voluntary and nonprofit organizations. In Manitoba, Saskatchewan and the Territories, there were just over 2 million<sup>5</sup> volunteers in 2003, of which 8% were board members. In total, all volunteers contributed 300 million hours per year, of which 6% were contributed by board directors.

Organizations in Manitoba, Saskatchewan and the Territories reported 174,622<sup>6</sup> employees. Seventy-one percent were permanent employees, and 62% were full-time.

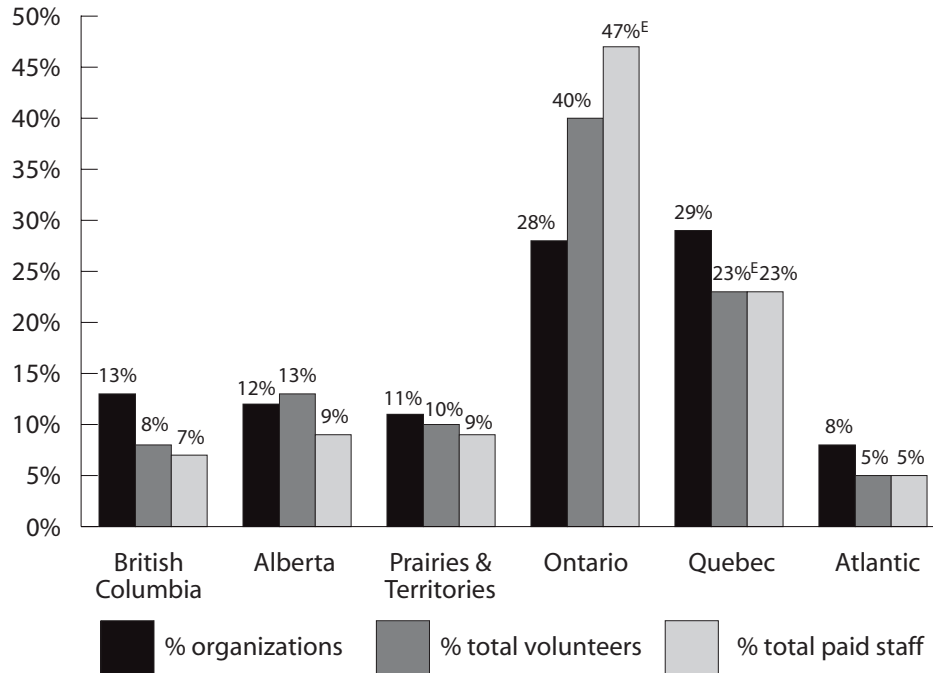
Figure 20 displays the percentage of organizations, volunteers, and paid staff in Canada attributable to each region. While Manitoba, Saskatchewan and the Territories region account for 11% of the national total of organizations, they account for only 10% of the national total of volunteers, and 9% of the national total of paid staff. Therefore, human resources are slightly proportionately under-represented in this region. With regard to each province or territory, Manitoba accounts for 7% of volunteers, Saskatchewan for 3%, and the Territories for 0.2%. Manitoba accounts for almost 5% of paid staff, Saskatchewan for almost 4%, and the Territories for 0.4%.

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<sup>5</sup> These numbers refer to volunteer *positions*, as people may volunteer for more than one organization at the same time.

<sup>6</sup> This number refers to employment *positions*, as people may be employed with more than one organization.

**Figure 20: Percentage of organizations, percentage of volunteers, and percentage of paid staff by region**

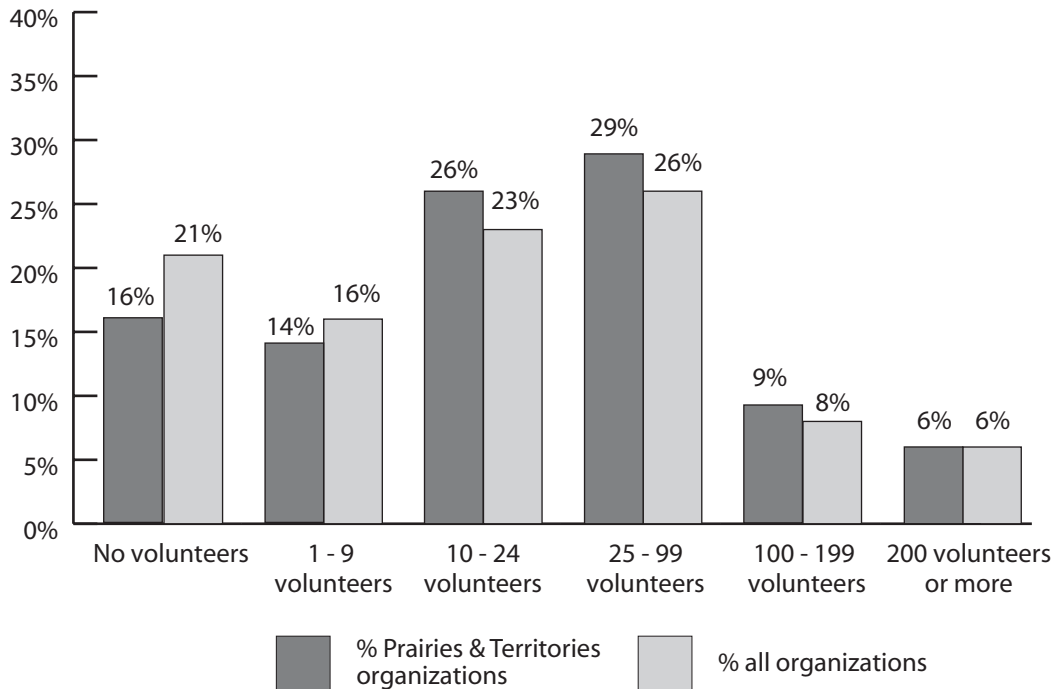


<sup>E</sup> use with caution

## What are the sizes of volunteer complements?

Figure 21 displays the percentage of organizations with various sizes of non-board volunteer complements. The data include Canada and the Manitoba, Saskatchewan, and Territories region. Turning first to this region, more than one in six organizations report no volunteers. The median number of volunteers (the point which divides the distribution in half) is in the 10 to 24 volunteers category. Most organizations report between 10 and 99 volunteers. Compared to the national pattern, fewer regional organizations (16% versus 21%) report using no volunteers.

**Figure 21: Percentage of organizations by number of volunteers**

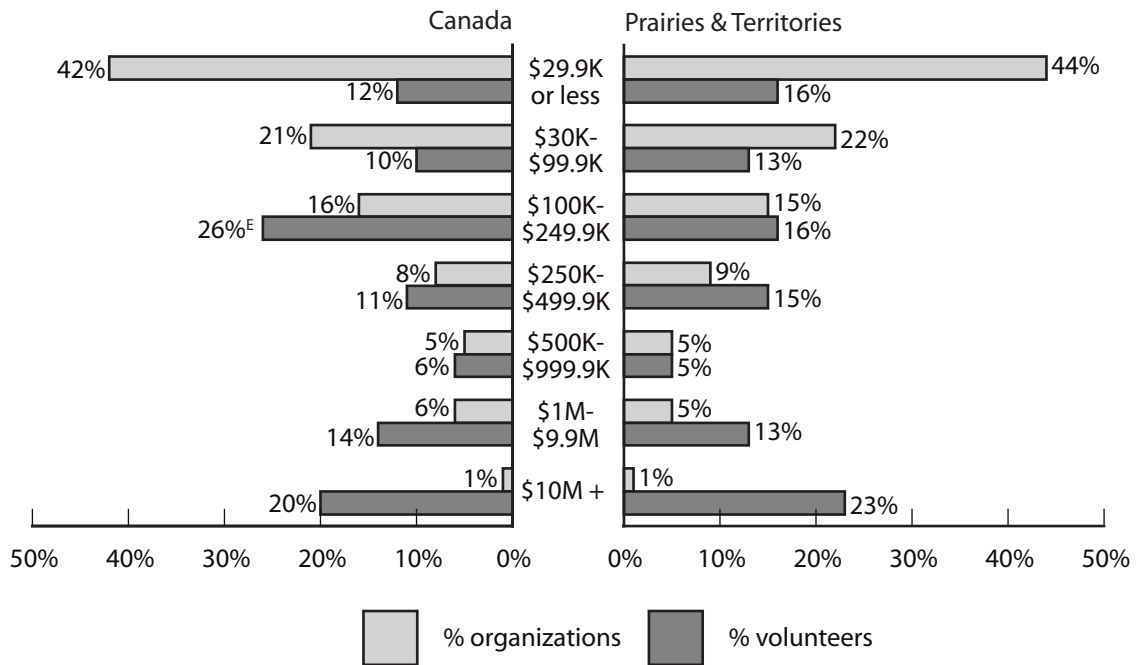


## Does the level of reliance on volunteers vary by the size of organizational revenue?

Figure 22 displays the percentage of organizations with varying sizes of revenue in Manitoba, Saskatchewan and the Territories and the percentage of volunteers associated with each revenue category. Those organizations with higher revenue account for more volunteers in that the 1% of organizations with revenue of \$10 million or more account for almost one quarter of all volunteers (23%), while the 44% of organizations with revenue of less than \$30,000 account for only 16% of volunteers.

Regional and national patterns are similar, but this region displays a somewhat more even distribution of volunteers across revenue categories. For example the 66% of regional organizations with revenue of less than \$100,000 account for 29% of regional volunteers whereas the 63% of national organizations in this revenue range account for only 22%.

Figure 22: Percentage of organizations and percentage of volunteers by revenue size

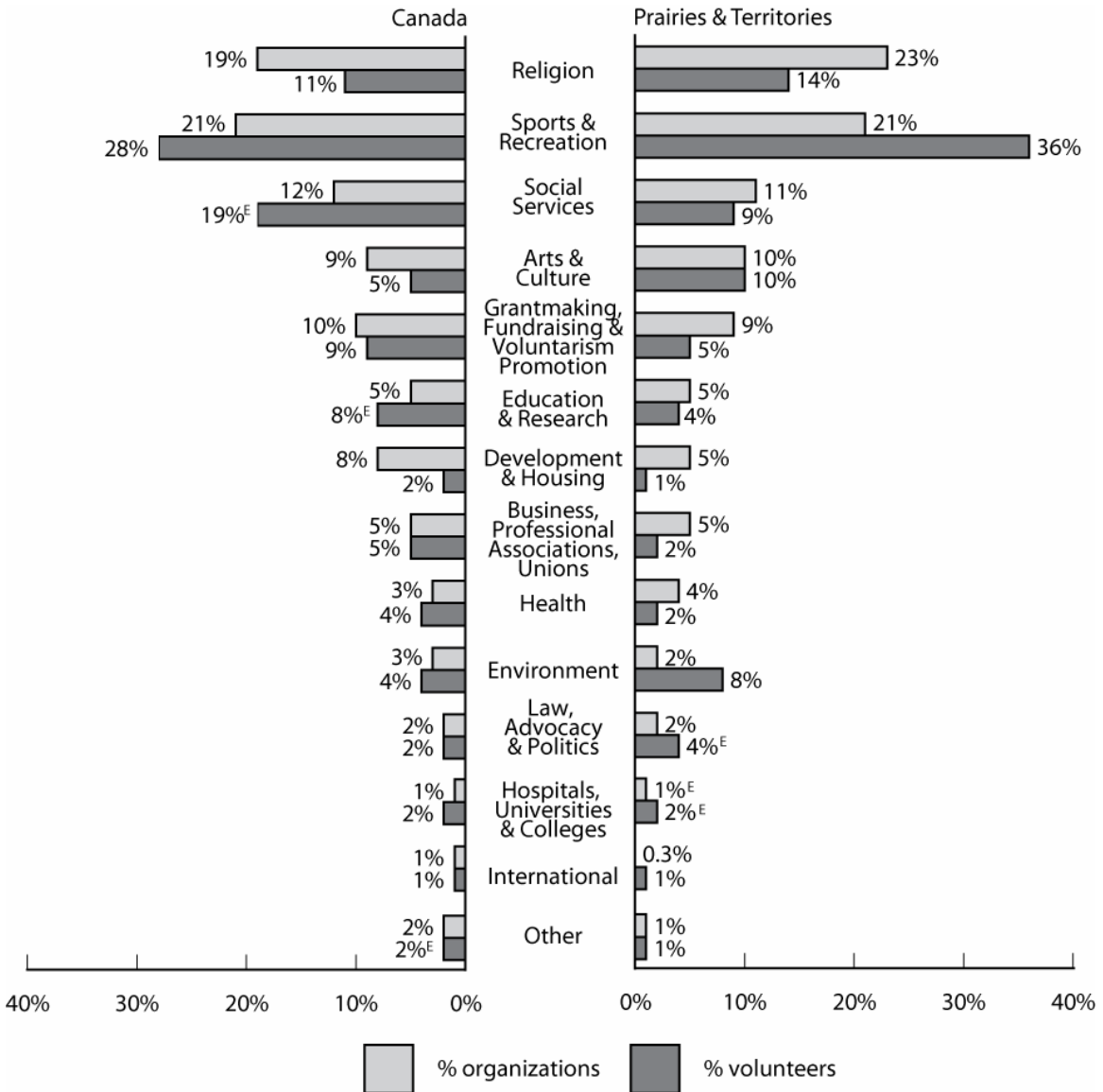


<sup>E</sup> use with caution

## Does reliance on volunteers vary by primary activity?

Figure 23 displays the percentage of organizations in each activity category and the percentage of volunteers that each category accounts for in Manitoba, Saskatchewan and the Territories. There is significant variation by primary activity. For example, Sports and Recreation organizations engage 36% of volunteers, but constitute only 21% of organizations. Conversely, the 23% of Religious organizations engage only 14% of volunteers.

The patterns are generally consistent with the national percentages but with some important differences. For example, the percentage of Social Services organizations is approximately equal in Manitoba, Saskatchewan and the Territories (11%) and nationally (12%), even though regional Social Services organizations engage a far lower percentage of volunteers (9% versus 19%). Furthermore, regional and national Education



and Research organizations each constitute 5% of organizations, but regional Education and Research organizations engage a lower percentage of volunteers (4% versus 8%). However, regional Sports and Recreation organizations engage a higher percentage of volunteers (36% versus 28%), as do regional Arts and Culture organizations (10% versus 5%), despite constituting similar percentages of regional and national organizations.

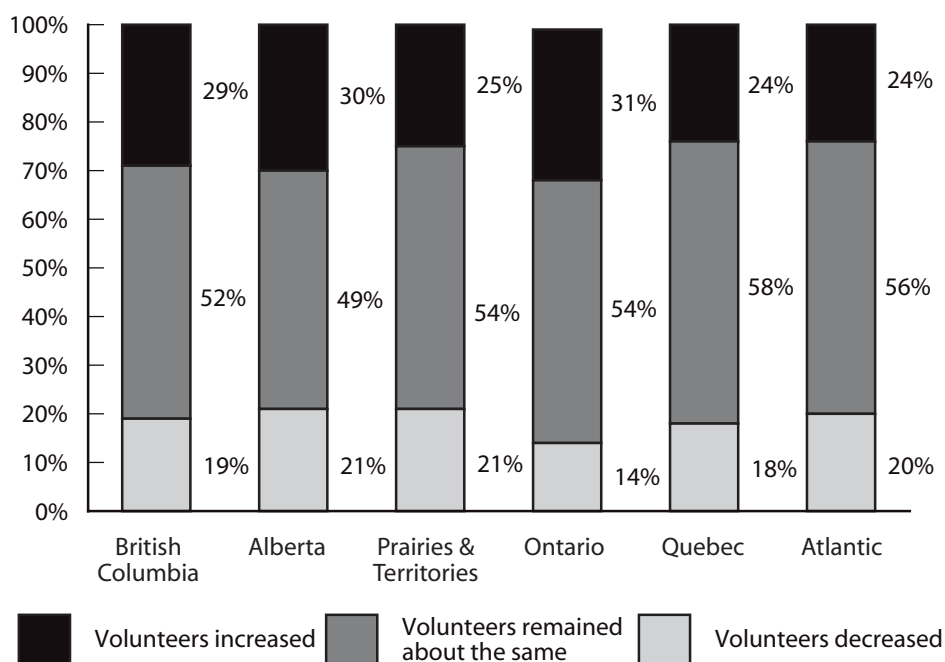
**Figure 23: Percentage of organizations and percentage of volunteers by primary activity area**

<sup>E</sup> use with caution

## How much have regional volunteer complements changed over the last three years?

Figure 24 shows changes in the size of non-board director volunteer complements over the last three years for all regions. In Manitoba, Saskatchewan and the Territories, the highest percentage of organizations (54%) report no changes in the size of their volunteer complements while 25% report growth. However, more than one-fifth of organizations (21%) report a decline. While this approximates the national pattern of 54% remaining the same, 28% growing and 18% declining, this region demonstrates less growth and more decline.

*Figure 24: Reported change in volunteers over the past three years by region*

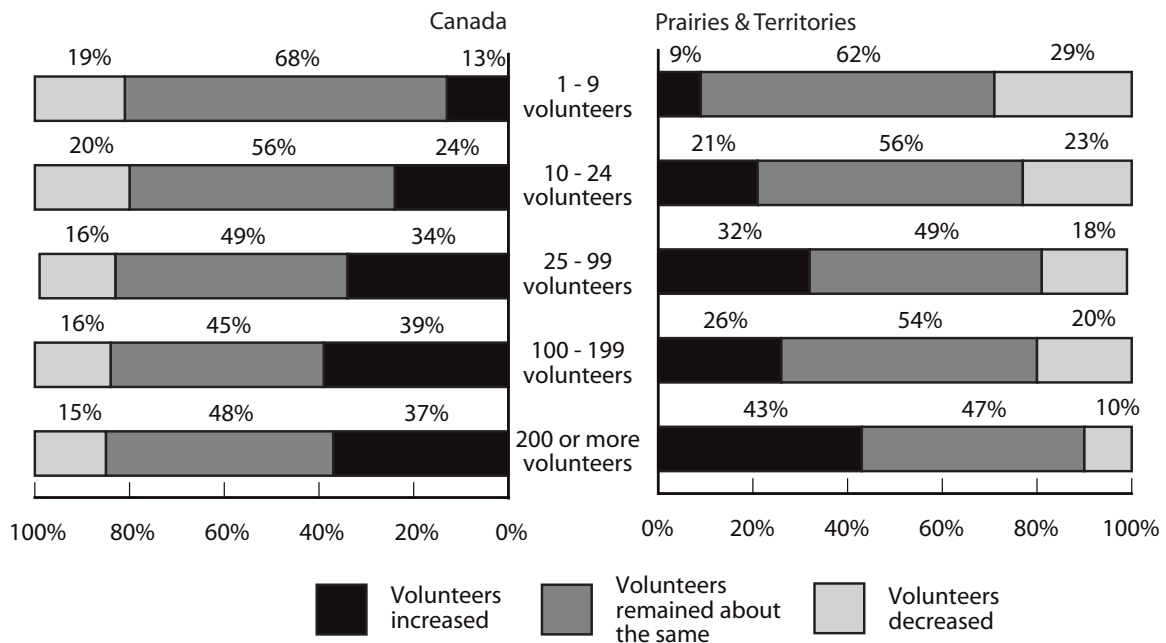


## Does the pattern of change in volunteer numbers vary by the size of volunteer complements?

Figure 25 describes the pattern of change in volunteer numbers by size of volunteer complement. In Manitoba, Saskatchewan and the Territories, there is significant variation in that organizations with larger volunteer complements in 2003 demonstrated more growth and those with smaller 2003 complements experienced greater decline. For example, 43% of organizations with 200 or more volunteers reported growth, compared

to 9% of those with less than ten volunteers. Conversely, 29% of the latter reported declines, while only 10% of the former made such reports. Regional and national patterns are similar but differences based on size are less pronounced nationally.

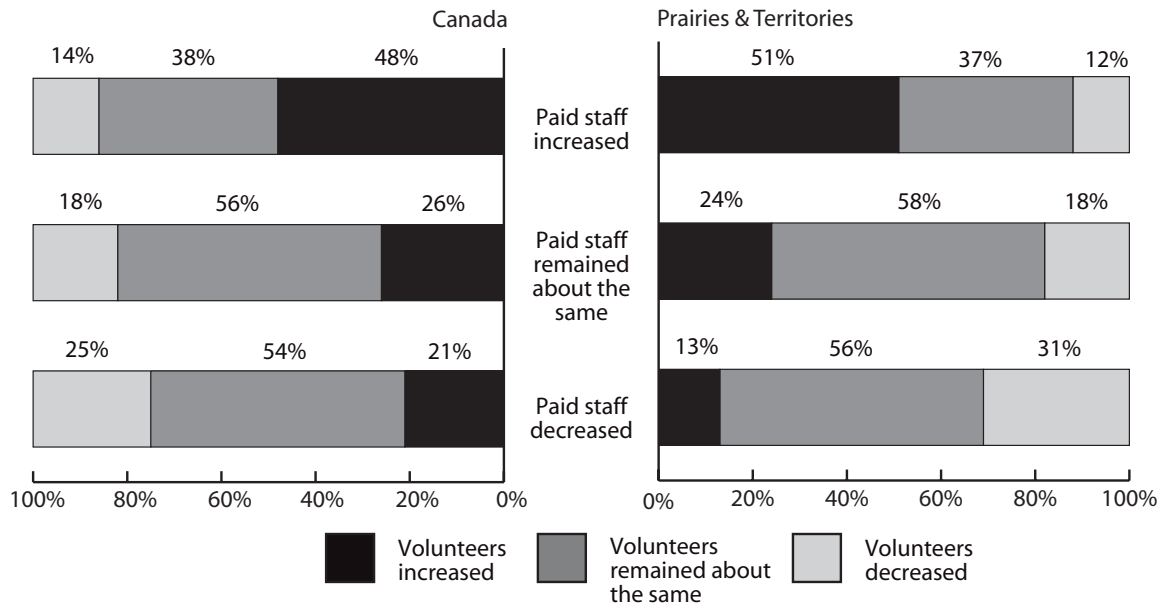
**Figure 25: Reported change in volunteers over the past three years by number of volunteers**



## Does the pattern of change in volunteer complements vary according to changes in revenue?

Figure 26 describes changes in the size of volunteer complements for regional organizations organized according to whether revenue have increased, remained the same or decreased over the previous three years. Organizations reporting increases in revenue were much more likely to report increased volunteer complements than organizations with revenue that has decreased (43% versus 12%). Conversely, organizations reporting decreases in revenue were much more likely to report decreased volunteer complements than organizations reporting increased revenue (44% versus 10%). Once again, the national and regional patterns are similar, but the regional pattern involves a larger difference in changed volunteer complements between organizations with increased and decreased revenue.

**Figure 26: Reported change in volunteers over the past three years by reported change in revenue**

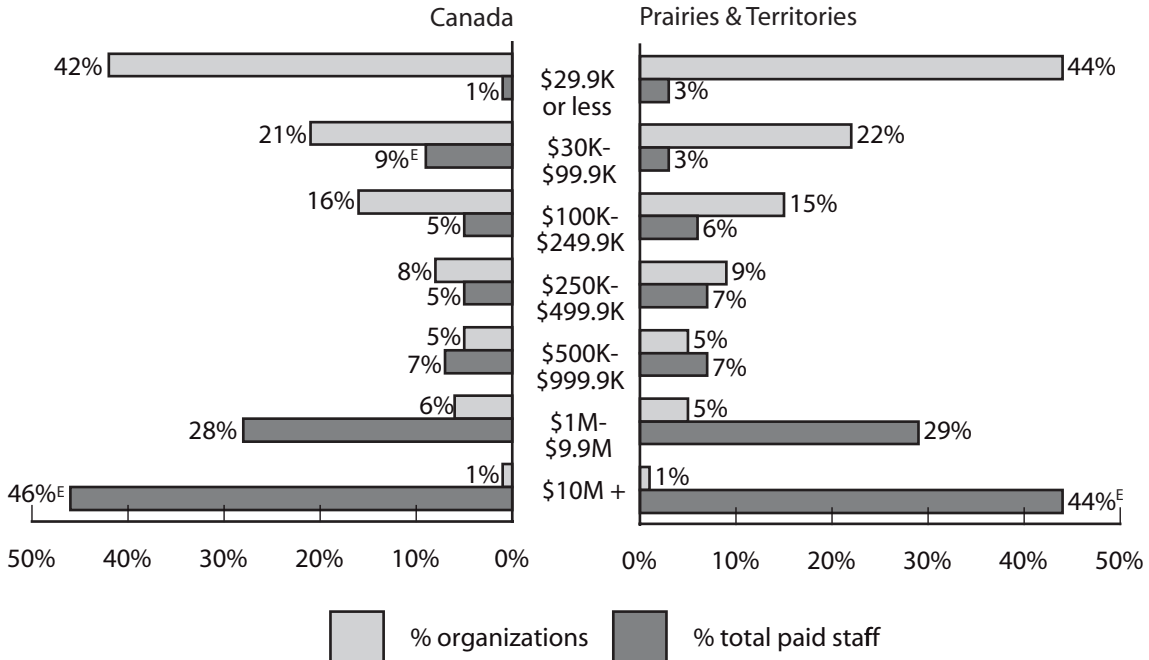


## Does reliance on paid staff vary by size of organizational revenue?

In Figure 27, we show the percentage of organizations with different sizes of revenue and the associated percentage of paid staff in Manitoba, Saskatchewan and the Territories. There is clearly a trend for large revenue organizations to utilize a larger percentage of paid staff and for smaller revenue organizations to utilize smaller percentages. For example, the 1% of organizations with revenue of \$10 million or more accounts for 44%<sup>E</sup> of the paid staff, while the 44% with revenue of less than \$30,000 account for only 3% of paid staff. In this regard, regional and national patterns are very similar.

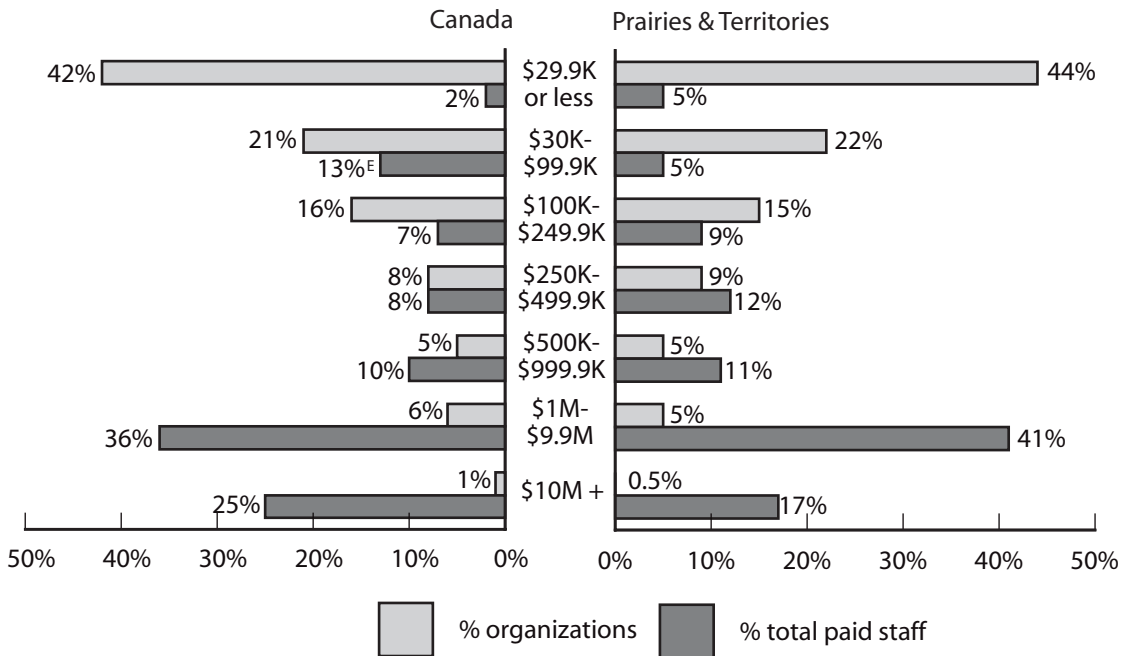
<sup>E</sup> Use with caution.

**Figure 27: Percentage of organizations and paid staff by revenue size**



<sup>E</sup> use with caution

**Figure 28: Percentage of organizations and paid staff by revenue size, excluding Hospitals, Universities and Colleges**



<sup>E</sup> use with caution

## Does level of reliance on paid staff vary by primary activity?

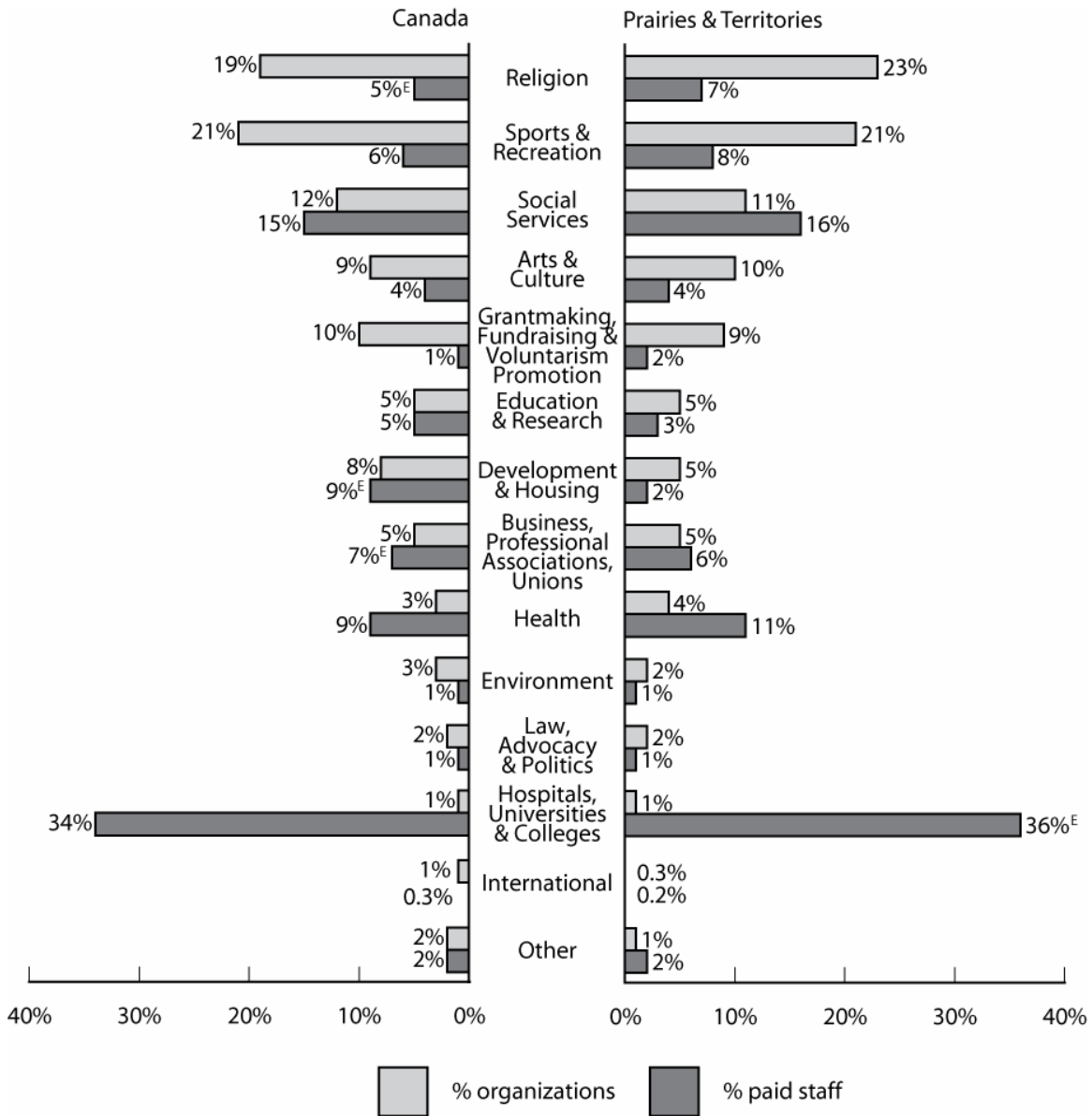
Figure 29 displays the percentage of organizations and paid staff in each primary activity category in Manitoba, Saskatchewan and the Territories. There is clearly a great deal of variation. Although Hospitals, Universities and Colleges constitute only 1% of organizations, they utilize 36%<sup>E</sup> of paid staff while Religious organizations constituting 23% of organizations utilize only 7% of paid staff. Social Services and Health organizations also employ a disproportionately high percentage of paid staff, while Sports and Recreation organizations employ a disproportionately low percentage.

The regional and national patterns are very similar, but with one small exception. Regional Development and Housing organizations employ fewer paid staff (2%) than their proportion of regional organizations (5%), while national organizations (8%) engage a disproportionately large percentage of paid staff (9%<sup>E</sup>).

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<sup>E</sup> use with caution

Figure 29: Percentage of organizations and paid staff by primary activity area



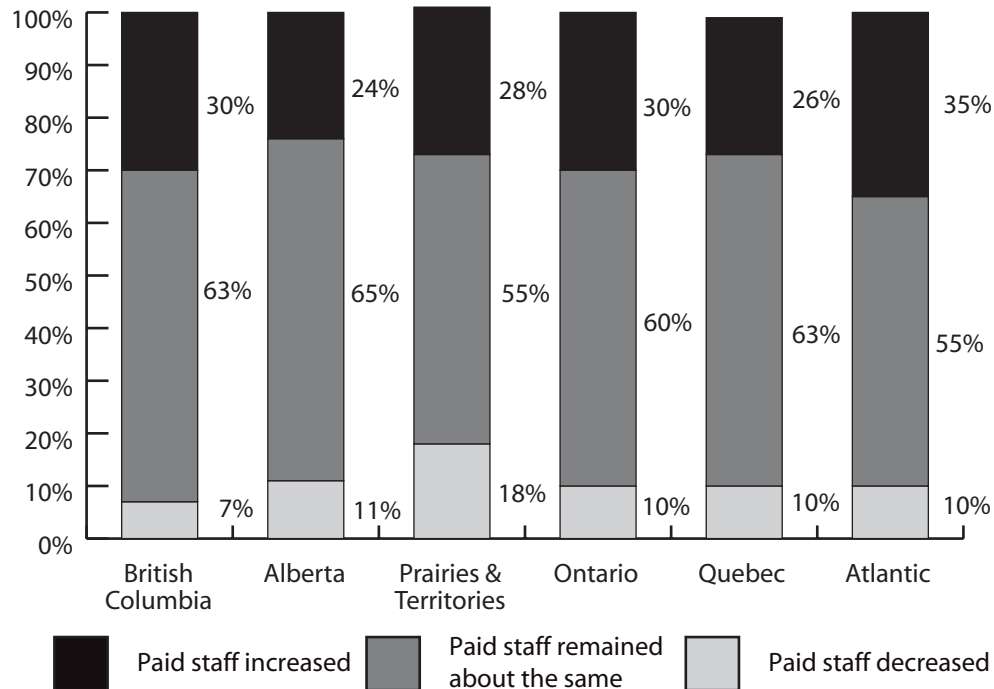
<sup>E</sup> use with caution

## Have paid staff complements changed over three years?

Figure 30 displays the changes in staff complements in each region of Canada. It includes organizations that had paid staff in 2003, and that had been operating for at least three years. In Manitoba, Saskatchewan and the Territories, most (55%) organizations report no changes. More than one in four organizations (28%) report increases, and fewer than one in five (18%) report decreases. The regional pattern equates generally with the national pattern except that Manitoba, Saskatchewan and the

Territories includes a higher percentage of organizations demonstrating decreases (18% versus 11%), and a lower percentage remaining the same (55% versus 59%) and reporting increases (28% versus 30%). The Manitoba, Saskatchewan and Territories region demonstrates the highest percentage of organizations with decreased staff complements of all regions, and it is tied with the Atlantic region for the lowest percentage remaining the same.

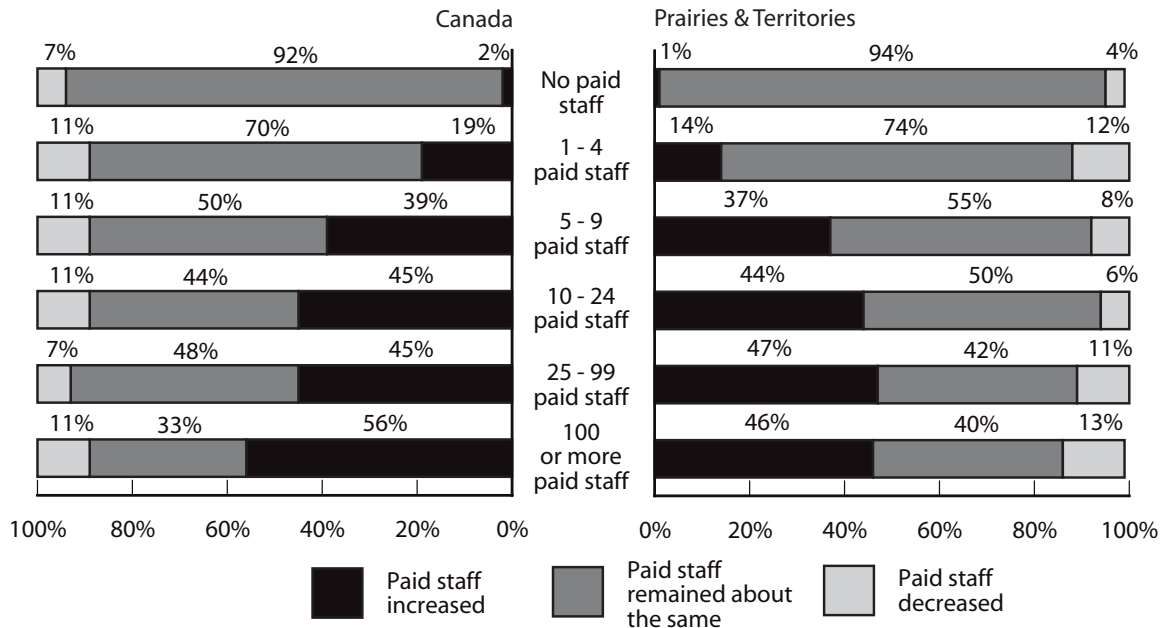
*Figure 30: Reported change in paid staff over the past three years by region*



## Does the pattern of change in staff complements vary by size of staff?

Figure 31 displays the changes in staff complements organized by size of staff complement. Clearly, organizations with larger staff complements are more likely to report increases. Fourteen percent of those with staff complements of one to four report increases, whereas 46% of those with staff complements of 100 or more report increases. Reports of decreases seem less related to staff size. However, smaller organizations (one to four staff) are much more likely to report no changes in the size of staff complements than larger (100 or more staff) organizations (74% versus 40%). While regional and national patterns are fairly consistent, organizations in Manitoba, Saskatchewan and the Territories with the largest staff (100 or more) demonstrate less of a tendency to report increases than is true across Canada (46% versus 56%).

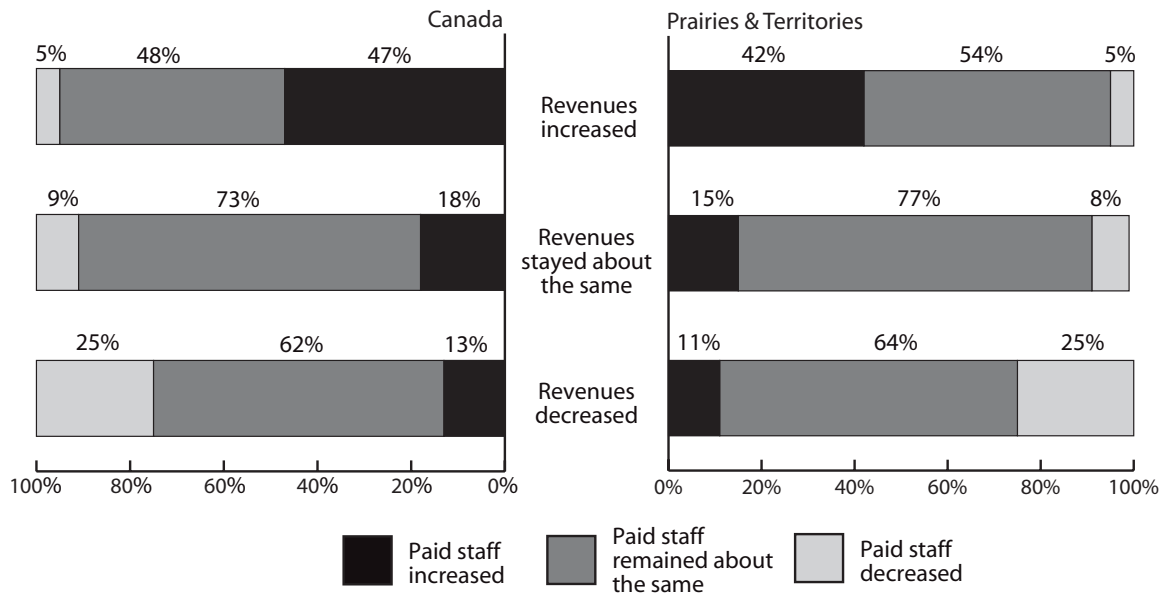
**Figure 31: Reported change in paid staff over the past three years by number of paid staff**



### Does the pattern of change in staff complements vary by changes in revenue?

Figure 32 displays changes in staff complements for organizations with revenue that has decreased, increased, and remained the same in Manitoba, Saskatchewan and the Territories. While the most common response for all revenue changes is for staff complements to remain the same, organizations reporting revenue increases are more likely to report staff complements increases. For example, 42% of organizations with increased revenue reported staffs increases, compared to 11% of those with decreased revenue. Conversely, organizations with decreased revenue were more likely to report decreases in staff (25%), as compared to 5% of those organizations reporting revenue increases. The Manitoba, Saskatchewan and Territories region is much like the overall Canadian average in these patterns of revenue and staff size changes.

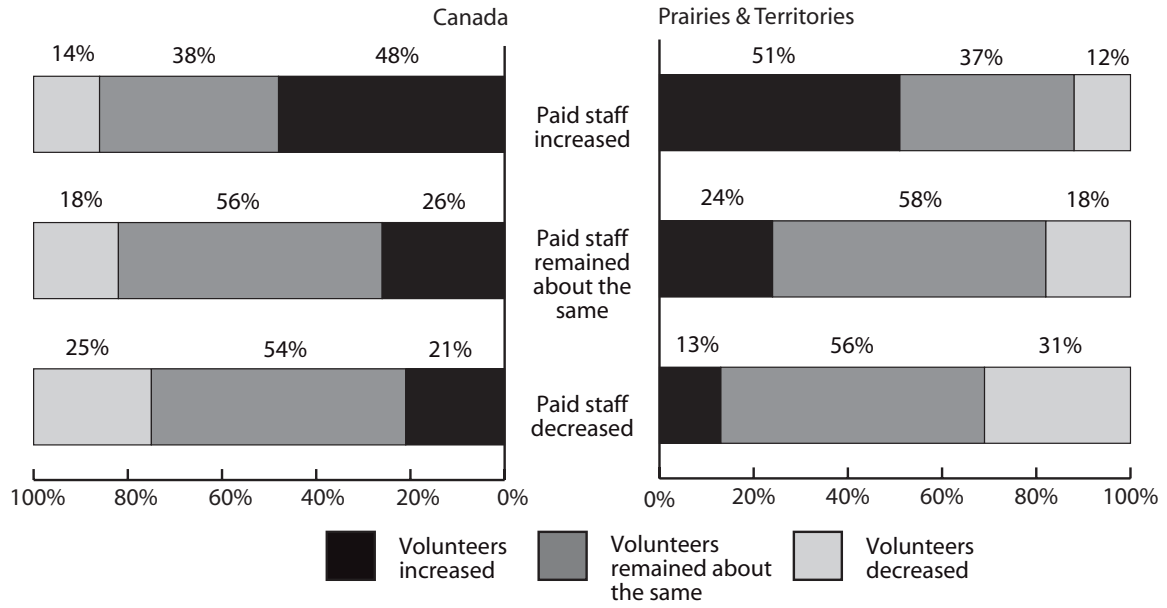
**Figure 32: Reported change in paid staff over the past three years by reported change in revenue**



### Are changes in volunteer complements associated with changes in staff complements?

It is useful to assess whether volunteer positions displace paid staff positions through substitution. Figure 33 correlates changes in volunteer complements for organizations in Manitoba, Saskatchewan and the Territories with changes in the number of paid staff. From these data, the opposite seems to be true as increases in paid staff complements are associated with increases in volunteer complements. Fifty one percent of organizations with increased paid staff complements exhibited increased volunteer numbers, whereas only 13% of organizations with decreased staff exhibited increases in their volunteer numbers. Conversely, 31% of organizations with decreased staff reported decreased volunteers as opposed to only 12% of organizations with increased paid staff. National and regional patterns are similar except to say that the differences in the national pattern are slightly more pronounced.

**Figure 33: Reported change in volunteers over the past three years by reported change in paid staff**



# Organizational Capacity

Previous sections have demonstrated that there are a significant number of voluntary and nonprofit organizations in Manitoba, Saskatchewan and the Territories, which collectively secure substantial revenue and engage large numbers of staff and volunteers. However, many organizations report limitations in their core capacities required to accomplish their missions. Capacity areas examined in this report include (Hall et. al., 2000):

- Human resources capacity – the ability to recruit and deploy volunteers and paid staff
- Financial capacity – the ability to develop and deploy revenue and assets
- Planning and development capacity - the ability to develop and use strategic plans, program plans, policies, and procedures
- Relationship and network capacity – the ability to collaborate and draw on relationships with clients, members, funders, partners, government, and other stakeholders
- Infrastructure and process capacity – the ability to develop and use infrastructure, such as administrative systems, information technology, software, and data bases
- External factors that affect an organization’s overall capacity such as the level of demand or need for services or products.

Key findings about these capacity issues are presented below.

## What capacity problems are reported most frequently by organizations?

Tables 5 to 19 describe the percentage of organizations identifying the presence of a list of 24 capacity problems for Canada and each region. Of those questions asked of all organizations, the most frequently identified problems in Manitoba, Saskatchewan and the Territories are:

- Difficulty recruiting the type of volunteers needed (64%)
- Difficulty planning for the future (63%)
- Difficulty obtaining board members (58%)
- Difficulty retaining volunteers (57%)
- Difficulty in obtaining funding from individuals (51%),

No issue is identified as problematic by fewer than 20% of organizations.

## To what extent do regional organizations experience financial capacity issues?

Organizations were asked about four financial capacity issues. Three of the issues referred directly to revenue generation including obtaining funding from other organizations (such as government, foundations, and corporations), obtaining funding from individual donors, and earning revenues in general. As noted, 51% of organizations in Manitoba, Saskatchewan and the Territories report difficulty in obtaining funding from individuals as a financial capacity problem – a number slightly higher than the national average of 48%. Almost half of regional organizations (48% each) also report difficulty obtaining funding from other organizations, and difficulty competing with other organizations. A higher percentage of regional organizations reported difficulty competing with other organizations than their national counterparts (43%). Forty-two percent of regional organizations report difficulty earning revenue.

Table 5 displays the percentage of organizations with various revenue sizes in Manitoba, Saskatchewan and the Territories that report capacity problems. Moderate sized organizations with revenue of \$250,000 to \$499,999 were more likely to report difficulty earning revenue (50% versus 42% for all organizations combined) and competition with other organizations (63% versus 43% for all organizations). Difficulty obtaining funding from other organizations is experienced most frequently (69% versus 48% for all organizations) by organizations with revenue of \$500,000 to \$999,999. The same is true of difficulty obtaining funding from individuals (58% versus 48% for all organizations).

*Table 5: Financial issues by revenue size*

		Difficulty earning revenues	Difficulty obtaining funding from other organizations	Difficulty obtaining funding from individuals	Difficulty competing with other organizations
<b>\$29.9K or less</b>	<b>Prairies and Territories</b>	43%	42%	46%	43%
	<b>Canada</b>	42%	41%	43%	38%
<b>\$30K–\$99.9K</b>	<b>Prairies and Territories</b>	36%	38%	54%	44%
	<b>Canada</b>	40%	46%	51%	41%
<b>\$100K–\$249.9K</b>	<b>Prairies and Territories</b>	46%	58%	55%	51%
	<b>Canada</b>	44%	53%	54%	47%
<b>\$250K–\$499.9K</b>	<b>Prairies and Territories</b>	50%	68%	54%	63%
	<b>Canada</b>	43%	56%	51%	51%
<b>\$500K–\$999.9K</b>	<b>Prairies and Territories</b>	44%	69%	58%	59%
	<b>Canada</b>	43%	60%	48%	49%
<b>\$1M–\$9.9M</b>	<b>Prairies and Territories</b>	41%	62%	56%	55%
	<b>Canada</b>	40%	60%	47%	55%
<b>\$10M +</b>	<b>Prairies and Territories</b>	18%	57%	37%	57%
	<b>Canada</b>	22%	61%	40%	53%
<b>All organizations</b>	<b>Prairies and Territories</b>	42%	48%	51%	48%
	<b>Canada</b>	42%	48%	48%	43%

We next examine the various financial capacity problems based on primary activity in Manitoba, Saskatchewan and the Territories. Arts and Culture organizations report the highest percentage of most of the financial capacity problems. They are more likely than all organizations combined to experience difficulty obtaining funding from other organizations (72% versus 48% for all organizations), difficulty obtaining funding from individuals (66% versus 51% for all organizations), and difficulty competing with other organizations (68% versus 48% for all organizations).

*Table 6: Financial issues by primary activity area*

		Difficulty earning revenues	Difficulty obtaining funding from other organizations	Difficulty obtaining funding from individuals	Difficulty competing with other organizations
Arts and Culture	Prairies and Territories	64%	72%	66%	68%
	Canada	60%	70%	63%	59%
Sports and Recreation	Prairies and Territories	53%	59%	51%	57%
	Canada	51%	53%	47%	49%
Education and Research	Prairies and Territories	51%	63%	50%	62%
	Canada	52%	59%	55%	55%
Health	Prairies and Territories	55%	66%	60%	62%
	Canada	52%	73%	63%	61%
Social Services	Prairies and Territories	42%	69%	58%	60%
	Canada	43%	67%	60%	57%
Environment	Prairies and Territories	63%	65%	60%	46%
	Canada	50%	60%	53%	44%
Development and Housing	Prairies and Territories	40%	56%	32%	37%
	Canada	27%	38%	22%	26%
Law, Advocacy and Politics	Prairies and Territories	47%	56%	46%	41%
	Canada	53%	66%	57%	55%
Grantmaking, Fundraising and Promoting Volunteerism	Prairies and Territories	25%	37%	53%	52%
	Canada	32%	38%	47%	47%
International	Prairies and Territories	41%	42%	42%	44%
	Canada	38%	64%	60%	58%
Religion	Prairies and Territories	22%	15%	49%	24%
	Canada	26%	20%	44%	20%
Business or Professional Associations or Unions	Prairies and Territories	45%	34%	25%	30%
	Canada	43%	36%	24%	30%
Hospitals, Universities and Colleges	Prairies and Territories	67%	66%	46%	67%
	Canada	49%	51%	34%	39%
Other	Prairies and Territories	26%	60%	45%	54%
	Canada	26%	63%	63%	58%
All organizations	Prairies and Territories	42%	48%	51%	48%
	Canada	42%	48%	48%	43%

Table 7 describes the percentage of organizations with different primary sources of funding that experience various financial capacity problems in Manitoba, Saskatchewan and the Territories. The 17% of organizations which receive more than 50% of their funding from governments are most likely to experience every financial capacity problem than their national counterparts.

*Table 7: Financial capacity issues by revenue dependency*

		Difficulty earning revenues	Difficulty obtaining funding from other organizations	Difficulty obtaining funding from individuals	Difficulty competing with other organizations
<b>Government dependent</b>	Prairies and Territories	49%	73%	60%	63%
	Canada	48%	74%	58%	57%
<b>Earned revenues dependent</b>	Prairies and Territories	48%	50%	47%	49%
	Canada	45%	46%	42%	41%
<b>Grants and donations dependent</b>	Prairies and Territories	26%	29%	50%	36%
	Canada	28%	32%	48%	34%
<b>Diverse</b>	Prairies and Territories	51%	57%	55%	51%
	Canada	49%	53%	52%	49%
<b>All organizations</b>	Prairies and Territories	42%	48%	51%	48%
	Canada	42%	48%	48%	43%

## To what extent do regional organizations experience external funding issues?

This section refers only to organizations receiving external funding. Almost two-thirds (65%) of regional organizations receiving external funding report reductions in government funding as a problem, and more than three in five (62%) report the unwillingness of funders to fund core operations as a problem (see Table 8). Three in five organizations (60%) identify over-reliance on project funding as a problem. Almost half of the organizations receiving external funding (47%) report the need to modify programs as a problem, and more than two in five organizations (41%) identify reporting requirements as a problem. There were no significant variations between the regional and the national patterns.

Moderate sized organizations with revenue of \$250,000 to \$499,999 were more likely to report most problems related to external funding, including over-reliance on project funding (73% versus 60% for all organizations), unwillingness of funders to fund core operations (75% versus 62% for all organizations), the need to modify programs in order to obtain funding (67% versus 47% for all organizations), and reductions in government funding (73% versus 65% for all organizations). The one exception is reporting requirements of funders (58% versus 41% for all organizations), which was most frequently reported by organizations with revenue of \$500,000 to \$999,999.

*Table 8: External funding issues by revenue size*

		Over-reliance on project funding	Unwillingness to fund core operations	Need to modify programs	Reporting requirements of funders	Reductions in government funding
<b>\$29.9K or less</b>	<b>Prairies and Territories</b>	51%	48%	40%	27%	57%
	<b>Canada</b>	54%	50%	38%	29%	54%
<b>\$30K–\$99.9K</b>	<b>Prairies and Territories</b>	59%	54%	39%	32%	52%
	<b>Canada</b>	61%	61%	46%	44%	61%
<b>\$100K–\$249.9K</b>	<b>Prairies and Territories</b>	72%	73%	51%	49%	74%
	<b>Canada</b>	69%	66%	52%	50%	72%
<b>\$250K–\$499.9K</b>	<b>Prairies and Territories</b>	73%	75%	67%	54%	73%
	<b>Canada</b>	64%	65%	50%	52%	73%
<b>\$500K–\$999.9K</b>	<b>Prairies and Territories</b>	59%	75%	51%	58%	76%
	<b>Canada</b>	61%	67%	48%	44%	67%
<b>\$1M–\$9.9M</b>	<b>Prairies and Territories</b>	50%	62%	46%	50%	73%
	<b>Canada</b>	60%	68%	55%	51%	74%
<b>\$10M +</b>	<b>Prairies and Territories</b>	53%	66%	46%	38%	90%
	<b>Canada</b>	52%	60%	51%	45%	81%
<b>All organizations</b>	<b>Prairies and Territories</b>	60%	62%	47%	41%	65%
	<b>Canada</b>	61%	61%	47%	43%	65%

Environment organizations are most likely to report over reliance on project funding (76% versus 60% for all organizations, see Table 9) and the need to modify programs to obtain funding (70 versus 47% for all organizations). Hospitals, Universities and Colleges were most likely to report the unwillingness of funders to fund core operations (74% versus 62% for all organizations) and reductions in government funding (88% versus 65% for all organizations).

*Table 9: External funding issues by primary activity area*

		Over-reliance on project funding	Unwillingness to fund core operations	Need to modify programs	Reporting requirements of funders	Reductions in government funding
Arts and Culture	Prairies and Territories	70%	69%	62%	48%	82%
	Canada	71%	70%	57%	45%	74%
Sports and Recreation	Prairies and Territories	57%	61%	36%	33%	60%
	Canada	55%	54%	39%	37%	61%
Education and Research	Prairies and Territories	84%	69%	50%	53%	78%
	Canada	64%	64%	52%	48%	69%
Health	Prairies and Territories	48%	69%	45%	46%	67%
	Canada	78%	85%	55%	61%	79%
Social Services	Prairies and Territories	67%	69%	52%	44%	75%
	Canada	70%	71%	56%	53%	73%
Environment	Prairies and Territories	76%	67%	70%	52%	81%
	Canada	64%	71%	57%	49%	75%
Development and Housing	Prairies and Territories	51%	52%	46%	43%	65%
	Canada	55%	49%	38%	39%	67%
Law, Advocacy and Politics	Prairies and Territories	47%	53%	45%	39%	41%
	Canada	62%	72%	52%	49%	63%
Grantmaking, Fundraising and Promoting Volunteerism	Prairies and Territories	53%	60%	45%	45%	54%
	Canada	48%	46%	36%	30%	49%
International	Prairies and Territories	39%	63%	22%	43%	44%
	Canada	60%	65%	53%	63%	70%
Religion	Prairies and Territories	52%	40%	31%	27%	13%
	Canada	40%	36%	25%	11%	26%
Business or Professional Associations or Unions	Prairies and Territories	38%	36%	46%	12%	53%
	Canada	42%	44%	43%	30%	57%
Hospitals, Universities and Colleges	Prairies and Territories	53%	74%	49%	42%	88%
	Canada	68%	66%	59%	55%	82%
Other	Prairies and Territories	39%	55%	53%	59%	77%
	Canada	52%	38%	44%	39%	51%
All organizations	Prairies and Territories	60%	62%	47%	41%	65%
	Canada	61%	61%	47%	43%	65%

The 17% of organizations that receive more than 50% of their funding from governments are most likely to experience every external funding problem (see Table 10).

*Table 10: External funding issues by revenue dependency*

		Over-reliance on project funding	Unwillingness to fund core operations	Need to modify programs	Reporting requirements of funders	Reductions in government funding
Government dependent organizations	Prairies and Territories	69%	74%	56%	51%	80%
	Canada	71%	72%	58%	55%	78%
Earned revenue dependent organizations	Prairies and Territories	54%	55%	42%	33%	56%
	Canada	54%	52%	40%	36%	59%
Gifts and donations dependent organizations	Prairies and Territories	58%	53%	39%	38%	46%
	Canada	53%	53%	39%	29%	48%
Diverse organizations	Prairies and Territories	60%	62%	50%	42%	77%
	Canada	60%	64%	47%	45%	68%
All organizations	Prairies and Territories	60%	62%	47%	41%	65%
	Canada	61%	61%	47%	43%	65%

## To what extent do regional organizations experience human resources issues?

Organizations were asked about a number of potential human resources capacity issues. These included:

- Difficulty recruiting the type of volunteers needed
- Difficulty obtaining board members
- Difficulty retaining volunteers
- Difficulty providing training for volunteers
- Difficulty training board members
- Lack of paid staff to recruit to manage volunteers
- Difficulty retaining paid staff
- Difficulty obtaining the type of paid staff needed
- Difficulty providing staff training and development

The most frequently identified issues in the region are: difficulty recruiting the type of volunteers needed (64% regionally, 57% nationally), difficulty obtaining board members (58% regionally, 56% nationally), and difficulty retaining volunteers (57% regionally,

49% nationally, see Table 11). Higher percentages of organizations located in the region experience most human resources problems than all organizations in general, except for difficulty providing training for volunteers, which is experienced by 38% of organizations both nationally and in the region.

In Manitoba, Saskatchewan and the Territories, the kinds of human resources capacity problems experienced varied with the size of organizations' revenue. Organizations in the lowest revenue class (less than \$30,000) are most likely (27% versus 19% of all organizations) to report difficulties in retaining paid staff (see Table 12). Organizations with revenue of \$100,000 to \$249,999 are most likely (68% versus 56% of all organizations) to acknowledge difficulty obtaining board members (see Table 11). Difficulty recruiting the type of volunteers needed tends to be problematic for organizations with revenue of \$100,000 to \$499,999 (69% versus 64% of all organizations in the region). Moderate sized organizations with revenue of \$250,000 to \$499,999 are more likely, on average, to report difficulty providing training for volunteers (56% versus 38% of all organizations in the region). Larger organizations with revenue of \$500,000 to \$999,999 are more likely than all organizations in the region to report lack of paid staff to recruit and manage volunteers (59% versus 38%). The largest organizations with revenue of \$10 million or more are more likely than all organizations in the region to report difficulty obtaining the type of paid staff needed (70% versus 34%, see Table 12), difficulty providing staff training and development (66% versus 30%), and difficulty retaining volunteers (63% versus 57%).

*Table 11: Volunteer issues by revenue size*

		Difficulty obtaining board members	Difficulty training board members	Difficulty recruiting type of volunteers	Difficulty retaining volunteers	Lack of paid staff to recruit or manage volunteers	Difficulty providing training for volunteers
<b>\$29.9K or less</b>	<b>Prairies and Territories</b>	53%	25%	59%	53%	24%	28%
	<b>Canada</b>	53%	26%	51%	45%	22%	28%
<b>\$30K–\$99.9K</b>	<b>Prairies and Territories</b>	63%	39%	68%	61%	39%	38%
	<b>Canada</b>	61%	36%	61%	52%	36%	37%
<b>\$100K–\$249.9K</b>	<b>Prairies and Territories</b>	68%	49%	69%	62%	54%	50%
	<b>Canada</b>	60%	43%	68%	57%	45%	46%
<b>\$250K–\$499.9K</b>	<b>Prairies and Territories</b>	65%	54%	69%	64%	58%	56%
	<b>Canada</b>	59%	42%	65%	57%	52%	54%
<b>\$500K–\$999.9K</b>	<b>Prairies and Territories</b>	49%	48%	68%	52%	59%	54%
	<b>Canada</b>	51%	44%	55%	42%	51%	47%
<b>\$1M–\$9.9M</b>	<b>Prairies and Territories</b>	51%	42%	63%	48%	54%	47%
	<b>Canada</b>	50%	43%	53%	46%	49%	47%
<b>\$10M +</b>	<b>Prairies and Territories</b>	41%	32%	66%	63%	51%	53%
	<b>Canada</b>	42%	33%	54%	51%	45%	48%
<b>All organizations</b>	<b>Prairies and Territories</b>	58%	36%	64%	57%	38%	38%
	<b>Canada</b>	56%	34%	57%	49%	35%	38%

*Table 12: Paid staff issues by revenue size*

		Difficulty obtaining type of paid staff	Difficulty retaining paid staff	Difficulty providing staff training and development
<b>\$29.9K or less</b>	<b>Prairies and Territories</b>	19%	27%	15%
	<b>Canada</b>	13%	23%	14%
<b>\$30K–\$99.9K</b>	<b>Prairies and Territories</b>	34%	18%	27%
	<b>Canada</b>	28%	16%	26%
<b>\$100K–\$249.9K</b>	<b>Prairies and Territories</b>	46%	15%	45%
	<b>Canada</b>	40%	17%	38%
<b>\$250K–\$499.9K</b>	<b>Prairies and Territories</b>	57%	21%	52%
	<b>Canada</b>	45%	17%	42%
<b>\$500K–\$999.9K</b>	<b>Prairies and Territories</b>	51%	22%	54%
	<b>Canada</b>	49%	23%	46%
<b>\$1M–\$9.9M</b>	<b>Prairies and Territories</b>	57%	16%	55%
	<b>Canada</b>	55%	20%	49%
<b>\$10M +</b>	<b>Prairies and Territories</b>	70%	20%	66%
	<b>Canada</b>	66%	24%	50%
<b>All organizations</b>	<b>Prairies and Territories</b>	34%	20%	30%
	<b>Canada</b>	28%	19%	27%

The types of human resource capacity problems experienced also varied by primary activity. Arts and Culture organizations are more likely to report the most problems of any primary activity category (see Tables 13 and 14). These include difficulty retaining paid staff (29% versus 20% of all organizations in the region), difficulty recruiting the types of volunteers needed (74% versus 64% of all organizations in the region), and difficulty providing training for volunteers (53% versus 38% of all organizations in the region). On the last they are tied with Hospitals, Universities and Colleges. Education and Research organizations frequently report several capacity problems related to volunteers. These include difficulty in retaining volunteers (68% versus 57% of all organizations in the region) and lack of paid staff to recruit and manage volunteers (59% versus 38% of all organizations in the region). Law, Advocacy and Politics organizations are the most likely to report difficulty in training board members (59% versus 36% of all organizations in the region). Hospitals, Universities and Colleges are the most likely to report difficulty obtaining the type of paid staff required (68% versus 34% of all organizations in the region) and are tied with International organizations in difficulty providing staff training and development (57% versus 30% of all organizations in the region). International organizations are most likely to express difficulty obtaining board members (76% versus 58% of all organizations in the region).

*Table 13: Paid staff issues by primary activity area*

		Difficulty obtaining type of paid staff	Difficulty retaining paid staff	Difficulty providing staff training and development
Arts and Culture	Prairies and Territories	43%	29%	38%
	Canada	38%	23%	35%
Sports and Recreation	Prairies and Territories	24%	32%	18%
	Canada	19%	25%	19%
Education and Research	Prairies and Territories	47%	24%	42%
	Canada	39%	27%	33%
Health	Prairies and Territories	46%	29%	43%
	Canada	54%	35%	46%
Social Services	Prairies and Territories	58%	26%	50%
	Canada	49%	24%	47%
Environment	Prairies and Territories	27%	10%	24%
	Canada	24%	25%	23%
Development and Housing	Prairies and Territories	30%	6%	35%
	Canada	21%	7%	23%
Law, Advocacy and Politics	Prairies and Territories	38%	3%	37%
	Canada	32%	7%	37%
Grantmaking, Fundraising and Promoting Volunteerism	Prairies and Territories	14%	22%	17%
	Canada	14%	17%	13%
International	Prairies and Territories	58%	22%	57%
	Canada	32%	2%	37%
Religion	Prairies and Territories	31%	12%	24%
	Canada	25%	12%	22%
Business or Professional Associations or Unions	Prairies and Territories	21%	11%	24%
	Canada	25%	13%	27%
Hospitals, Universities and Colleges	Prairies and Territories	68%	21%	57%
	Canada	50%	39%	41%
Other	Prairies and Territories	38%	3%	38%
	Canada	32%	3%	27%
All organizations	Prairies and Territories	34%	20%	30%
	Canada	28%	19%	27%

*Table 14: Volunteer issues by primary activity area*

		Difficulty obtaining board members	Difficulty training board members	Difficulty recruiting type of volunteers	Difficulty retaining volunteers	Lack of Paid staff to recruit or manage volunteers	Difficulty providing training for volunteers
<b>Arts and Culture</b>	<b>Prairies and Territories</b>	66%	46%	74%	64%	47%	53%
	<b>Canada</b>	59%	42%	64%	54%	46%	43%
<b>Sports and Recreation</b>	<b>Prairies and Territories</b>	60%	29%	67%	56%	30%	30%
	<b>Canada</b>	64%	32%	65%	58%	26%	33%
<b>Education and Research</b>	<b>Prairies and Territories</b>	70%	46%	68%	68%	59%	49%
	<b>Canada</b>	58%	37%	59%	53%	38%	36%
<b>Health</b>	<b>Prairies and Territories</b>	63%	50%	67%	51%	45%	39%
	<b>Canada</b>	67%	52%	71%	53%	56%	54%
<b>Social Services</b>	<b>Prairies and Territories</b>	62%	50%	67%	58%	54%	48%
	<b>Canada</b>	64%	47%	62%	52%	50%	47%
<b>Environment</b>	<b>Prairies and Territories</b>	54%	31%	52%	54%	37%	33%
	<b>Canada</b>	59%	35%	52%	48%	34%	42%
<b>Development and Housing</b>	<b>Prairies and Territories</b>	53%	36%	51%	47%	47%	42%
	<b>Canada</b>	58%	27%	42%	36%	31%	32%
<b>Law, Advocacy and Politics</b>	<b>Prairies and Territories</b>	48%	59%	57%	53%	42%	51%
	<b>Canada</b>	70%	51%	74%	61%	55%	52%
<b>Grantmaking, Fundraising and Promoting Volunteerism</b>	<b>Prairies and Territories</b>	53%	31%	54%	48%	34%	25%
	<b>Canada</b>	44%	25%	45%	37%	24%	30%
<b>International</b>	<b>Prairies and Territories</b>	76%	35%	65%	50%	38%	17%
	<b>Canada</b>	46%	44%	53%	46%	54%	51%
<b>Religion</b>	<b>Prairies and Territories</b>	51%	28%	63%	58%	29%	34%
	<b>Canada</b>	42%	27%	55%	48%	26%	33%
<b>Business or Professional Associations or Unions</b>	<b>Prairies and Territories</b>	62%	36%	58%	54%	46%	44%
	<b>Canada</b>	56%	34%	54%	44%	43%	41%
<b>Hospitals, Universities and Colleges</b>	<b>Prairies and Territories</b>	37%	36%	64%	44%	48%	53%
	<b>Canada</b>	60%	40%	52%	45%	42%	39%
<b>Other</b>	<b>Prairies and Territories</b>	56%	49%	66%	59%	15%	47%
	<b>Canada</b>	49%	31%	43%	37%	38%	44%
<b>All organizations</b>	<b>Prairies and Territories</b>	58%	36%	64%	57%	38%	38%
	<b>Canada</b>	56%	34%	57%	49%	35%	38%

The 17% of government revenue-dependent organizations are more likely to experience nearly every human resource capacity problem. Two exceptions are that gifts and donations dependent organizations express more difficulty in retaining paid staff (85% versus 80% for all organizations in the region, see Table 15), and diversely funded

organizations express more difficulty in retaining volunteers (61% versus 57% for all regional organizations).

*Table 15: Paid staff issues by revenue dependency*

		Difficulty obtaining type of paid staff	Difficulty retaining paid staff	Difficulty providing staff training and development
<b>Government dependent</b>	Prairies and Territories	58%	79%	57%
	<b>Canada</b>	52%	23%	50%
<b>Earned revenues dependent</b>	Prairies and Territories	28%	75%	22%
	<b>Canada</b>	22%	18%	21%
<b>Grants and donations dependent</b>	Prairies and Territories	28%	85%	23%
	<b>Canada</b>	24%	14%	22%
<b>Diverse</b>	Prairies and Territories	32%	82%	31%
	<b>Canada</b>	27%	18%	25%
<b>All organizations</b>	Prairies and Territories	34%	80%	30%
	<b>Canada</b>	28%	19%	27%

*Table 16: Volunteer issues by revenue dependency*

		Difficulty obtaining board members	Difficulty training board members	Difficulty recruiting type of volunteers	Difficulty retaining volunteers	Lack of paid staff to recruit or manage volunteers	Difficulty providing training for volunteers
<b>Government dependent</b>	Prairies and Territories	65%	53%	69%	59%	62%	55%
	<b>Canada</b>	67%	52%	65%	55%	59%	54%
<b>Earned revenues dependent</b>	Prairies and Territories	60%	33%	64%	55%	32%	35%
	<b>Canada</b>	58%	31%	57%	49%	29%	34%
<b>Grants and donations dependent</b>	Prairies and Territories	51%	30%	60%	55%	32%	32%
	<b>Canada</b>	44%	29%	54%	47%	29%	35%
<b>Diverse</b>	Prairies and Territories	56%	40%	67%	61%	45%	43%
	<b>Canada</b>	56%	34%	57%	47%	38%	36%
<b>All organizations</b>	Prairies and Territories	58%	36%	64%	57%	38%	38%
	<b>Canada</b>	56%	34%	57%	49%	35%	38%

## To what extent do regional organizations experience structural capacity issues?

The survey contained two indicators of **planning and development capacity**, including difficulty adapting to change and difficulty planning for the future. The first is based on a dynamic view of the need for organizations to constantly respond to changing circumstances in their environments if they are to be sustainable and effective, and the second relates to one of the prime means for enhancing the quality of this response (Aldrich, 1979). More than two out of five (46%) regional organizations report difficulty adapting to change and more than three out of five (63%) report difficulty planning for the future (see Table 17). A somewhat higher percentage of regional organizations report difficulties with change (46% versus 41% nationally) and planning for the future (63% versus 58%) than was true for all organizations in Canada.

The largest organizations with revenue of \$10 million or more are much more likely to report difficulty adapting to change (81% versus 46% of all organizations in the region) and difficulty planning for the future (76% versus 63% of all organizations in the region).

*Table 17: Structural issues by revenue size*

		Difficulty collaborating with other organizations	Difficulty planning for the future	Difficulty participating in policy development	Lack of internal capacity	Increasing demands for services or products	Difficulty adapting to change
\$29.9K or less	Prairies and Territories	24%	57%	31%	30%	33%	36%
	Canada	21%	53%	31%	28%	33%	33%
\$30K–\$99.9K	Prairies and Territories	29%	65%	41%	40%	40%	54%
	Canada	24%	61%	37%	41%	42%	42%
\$100K–\$249.9K	Prairies and Territories	30%	69%	50%	51%	53%	53%
	Canada	25%	62%	47%	50%	52%	49%
\$250K–\$499.9K	Prairies and Territories	36%	70%	51%	56%	60%	53%
	Canada	30%	68%	47%	50%	57%	47%
\$500K–\$999.9K	Prairies and Territories	37%	70%	48%	59%	48%	51%
	Canada	26%	59%	50%	54%	52%	45%
\$1M–\$9.9M	Prairies and Territories	25%	67%	61%	61%	63%	58%
	Canada	27%	64%	58%	54%	61%	52%
\$10M +	Prairies and Territories	17%	76%	73%	75%	64%	81%
	Canada	27%	64%	55%	57%	64%	69%
All organizations	Prairies and Territories	28%	63%	41%	41%	42%	46%
	Canada	24%	58%	39%	39%	43%	41%

Hospitals, Universities and Colleges are also much more likely to report difficulty adapting to change (38% versus 46% of all organizations, see Table 18) and international organizations are the most likely to report difficulty planning for the future (81% versus 63% of all organizations).

*Table 18: Structural issues by primary activity area*

		Difficulty collaborating with other organizations	Difficulty planning for the future	Difficulty participating in policy development	Lack of internal capacity	Increasing demands for services or products	Difficulty adapting to change
Arts and Culture	Prairies and Territories	43%	67%	43%	57%	48%	47%
	Canada	28%	67%	41%	51%	41%	45%
Sports and Recreation	Prairies and Territories	27%	63%	36%	31%	39%	42%
	Canada	27%	58%	36%	32%	40%	40%
Education and Research	Prairies and Territories	33%	57%	57%	55%	60%	48%
	Canada	29%	57%	46%	47%	51%	36%
Health	Prairies and Territories	34%	63%	48%	51%	70%	45%
	Canada	32%	68%	62%	63%	70%	51%
Social Services	Prairies and Territories	35%	69%	51%	52%	61%	48%
	Canada	30%	67%	54%	54%	65%	45%
Environment	Prairies and Territories	39%	65%	58%	48%	46%	51%
	Canada	27%	65%	56%	49%	40%	47%
Development and Housing	Prairies and Territories	23%	60%	47%	40%	47%	36%
	Canada	14%	47%	33%	28%	31%	28%
Law, Advocacy and Politics	Prairies and Territories	33%	50%	63%	56%	38%	40%
	Canada	35%	68%	57%	59%	57%	41%
Grantmaking, Fundraising and Promoting Volunteerism	Prairies and Territories	25%	60%	33%	31%	33%	32%
	Canada	23%	54%	29%	28%	42%	33%
International	Prairies and Territories	8%	81%	62%	62%	30%	46%
	Canada	40%	72%	38%	60%	52%	48%
Religion	Prairies and Territories	17%	61%	32%	31%	28%	55%
	Canada	14%	54%	27%	31%	32%	45%
Business or Professional Associations or Unions	Prairies and Territories	21%	59%	43%	45%	40%	45%
	Canada	23%	54%	47%	45%	38%	42%
Hospitals, Universities and Colleges	Prairies and Territories	43%	73%	36%	47%	55%	38%
	Canada	19%	53%	42%	37%	38%	34%
Other	Prairies and Territories	40%	74%	48%	83%	56%	79%
	Canada	30%	72%	55%	59%	58%	63%
All organizations	Prairies and Territories	28%	63%	41%	41%	42%	46%
	Canada	24%	58%	39%	39%	43%	41%

Organizations receiving more than 50% of their funding from governments are most likely to experience these planning and development capacity problems than organizations less dependent on this source of funding (see Table 19).

*Table 19: Structural issues by revenue dependency*

		Difficulty collaborating with other organizations	Difficulty planning for the future	Difficulty participating in policy development	Lack of internal capacity	Increasing demands for services or products	Difficulty adapting to change
Government dependent	Prairies and Territories	37%	72%	59%	62%	65%	53%
	Canada	31%	70%	61%	60%	63%	50%
Earned revenues dependent	Prairies and Territories	29%	61%	38%	38%	40%	43%
	Canada	22%	56%	36%	34%	38%	39%
Grants and donations dependent	Prairies and Territories	20%	61%	34%	32%	33%	47%
	Canada	20%	55%	31%	35%	38%	41%
Diverse	Prairies and Territories	29%	63%	41%	42%	45%	44%
	Canada	27%	58%	39%	39%	41%	37%
All organizations	Prairies and Territories	28%	63%	41%	41%	42%	46%
	Canada	24%	58%	39%	39%	43%	41%

Two kinds of **relationship and network capacity** were assessed in the survey: one related to difficulty collaborating with other organizations and one related to difficulty participating in the development of public policy. More than a quarter (28%, see Table 17) of regional organizations report difficulty collaborating, a number slightly higher than the national percentage (24%). Regional organizations are slightly more likely to report difficulty participating in public policy development, with just over two out of five (41%) indicating the presence of this experience, compared to 39% nationally.

In Manitoba, Saskatchewan and the Territories, moderate sized organizations with revenue of \$250,000 to \$499,999 are more likely to report difficulty collaborating compared to all organizations in the region (36% versus 28%, see Table 17), and the largest organizations with revenue of \$10 million or more are more likely than all regional organizations combined to report difficulty participating in public policy development (73% versus 41%).

In the region, Arts and Culture organizations were most likely to report difficulty collaborating (43% versus 28% of all organizations in the region), and a higher

percentage (63% versus 41%) of Law, Advocacy and Politics organizations than those in other primary activity categories combined reported difficulty participating in public policy development (see Table 18).

Regionally, organizations receiving more than 50% of their revenue from government are more likely than all regional organizations combined to experience these relationship and network capacity problems (see Table 19).

**Infrastructure and process capacity** was generally addressed through one question about the lack of internal capacity. Just over two out of five (41%, see Table 17) regional organizations indicate the presence of this problem, and the largest organizations with revenue of \$10 million or more were most likely (75% versus 41% of all organizations in the region) to report it. More than double the percentage (83% versus 41%) of Hospitals, Universities and Colleges compared to all regional organizations report lack of internal capacity. Government-dependent organizations are over 20% more likely (62% versus 41%) than all organizations in the region to experience a lack of internal capacity.

The salience of **external factors that affect an organization's overall capacity** was assessed through a single item, which asked about increasing demand for services or products. More than two-fifths (42%) of regional organizations endorse this as an issue that they experience. It is much more commonly (64% versus 42%) experienced by the largest regional organizations with revenue of \$10 million or more than the percentage for all regional organizations (see Table 17). Regional organizations in the Health category are much more likely (70% versus 42%) to report increasing demand than all regional organizations, as are organizations which receive more than 50% of their revenue from governments (65% versus 42%).

## Which organizations are most likely to experience capacity issues across all types of capacity?

Organizations in the lowest revenue classes are generally least likely to report capacity problems. Those with revenue of \$30,000 to \$99,999 do not exhibit the highest percentage for any of the 24 capacity problems studied, and those with revenue of \$29,999 or less are highest for only one. This may be because these organizations require fewer resources to accomplish more limited missions, or perhaps because of lower expectations. Paradoxically, organizations with revenue of \$1,000,000 to \$9,999,999 also do not exhibit the highest percentage for any capacity problem.

Organizations with moderate revenue of \$250,000 to \$499,999 are generally the most likely to report capacity problems. They exhibit the highest percentage (or, in one case a tie for the highest percentage) on ten capacity problems. The organizations with the highest revenue of \$10,000,000 or more exhibit the highest percentage on eight problems.

Considering primary activity, Hospitals, Universities and Colleges exhibit the highest percentages on eight capacity problems. Arts and Culture organizations report the highest likelihood of experiencing seven capacity problems.

Organizations which receive more than 50% of their funding from governments are most likely to experience 22 out of 24 capacity problems.

# Conclusions

These findings from the National Survey of Nonprofit and Voluntary Organizations represent the first comprehensive regional data on the size, characteristics, financial and human resources, and capacity challenges of the nonprofit and voluntary sector in Manitoba, Saskatchewan and the Territories.

Certain key themes emerge. First, the findings from the first section of this report on the key characteristics of nonprofit and voluntary organizations clearly suggest that in Manitoba, Saskatchewan and the Territories the nonprofit and voluntary sector is an important component of the social and economic landscape. In fact, on a population basis, this sector may be more present in this region than in any other in Canada. In addition, the range of activity areas with which organizations are involved confirms their influence on every imaginable area of life. They perform both service functions and expressive functions. Service functions refer to the delivery of direct services, such as education, health, housing, and economic development. Expressive functions refer to activities which provide avenues for expression of cultural, spiritual, professional, and policy values, interests and beliefs (Hall et. Al. 2005). Nonprofit and voluntary organizations in Manitoba, Saskatchewan and the Territories primarily serve local communities. Therefore their health and contribution should be of concern to all those who understand that the quality of local communities is a major influence on health, well-being and prosperity of community members.

In this vein, it is clear from the findings that regional nonprofit and voluntary organizations are important vehicles for community engagement and service. Almost two thirds serve a neighbourhood, city, town or rural municipality. The 74% of organizations reporting people as members engage more than 13 million members. They also engage two million regional residents as volunteers and receive \$870.3 million dollars from individuals as cash donations.

A second theme which these data also demonstrate is that in Manitoba, Saskatchewan and the Territories, nonprofit and voluntary organizations are public benefit organizations. Most (60%) are registered as charities. They usually (83%) provide products and services primarily to people. Most frequently, they serve the general public and broad demographic groups (children and youth, the elderly); but also serve specific ethno-cultural communities such as Aboriginal people. Almost two-thirds of organizations (64%) with people as members indicate that non-members benefit equally to or more than members, with the latter receiving only a few exclusive benefits. Therefore, nonprofit and voluntary organizations are both proper targets of public policy, because improvements to their functioning will yield increased public benefits; and appropriate instruments of public policy. This is because the missions of nonprofit and voluntary organizations often cohere with the public good. If governments develop

partnerships with nonprofit and voluntary organizations they will receive useful community input in policy development and implementation.

The findings on financial resources in the second section of this report, especially the size of the sector revenue, suggest a third theme: that the nonprofit and voluntary sector constitutes a substantial presence in the regional economy. Regional nonprofit and voluntary organizations report operating revenue of more than \$12 billion and another \$124 million in in-kind donations. Therefore, nonprofit and voluntary organizations should be taken into account in the range of economic and economic development policy making.

Beyond this, there is substantial variation in revenue, with a small number of large organizations receiving a disproportionate percentage of total revenue. This is especially true of Hospitals, Universities and Colleges. The fewer than 1% of organizations with operating revenue of \$10 million or more receive 38% of total operating revenue and the 44% of organizations with operating revenue of less than \$30,000 account for only 1% of total operating revenue. Large and small organizations also display different patterns of revenue sources. This divide between large and small organizations implies that different strategies may be necessary to enhance the sustainability of each, especially in the face of evidence that the big are getting bigger.

Another important issue is that governments, and especially provincial governments, possess a significant policy lever with which to support the nonprofit and voluntary sector because they are the largest funding source. Finally, some important variations in revenue sources exist between Manitoba, Saskatchewan and the Territories regional organizations and the national pattern. These kinds of variations must be taken into account in the implementation of pan-Canadian attempts to improve the viability of organizations in this region.

A fourth theme relates to data presented in the third section of this report on human resources. From these findings it is clear that nonprofit and voluntary organizations are significant employers, employing approximately 13% of the regional labour force. Therefore, they should be considered along with the public and private sector in employment and labour market policy. In addition, nonprofit and voluntary organizations provide infrastructure for the engagement of large numbers of citizens in communal service. This is arguably as important an outcome as the goods and services that the organizations provide. Such communal engagement is very important in terms of social cohesion and social inclusion, and therefore should be well supported. In addition, the divide between low and high revenue organizations described above becomes even starker when the dominance of the latter in engaging volunteers and employing staff is considered. This suggests that quite different human resource strategies are required for organizations of different scales, and we should not think of the nonprofit and voluntary sector as an undifferentiated whole when developing supportive public policy.

A fifth theme can be derived from data in the fourth section of the report on organizational capacity, which suggests that significant numbers of organizations in the Manitoba, Saskatchewan and Territories region experience problems which impair their capabilities to fulfill their missions. It is significant that more than half of them identify problems in such central capacities as planning for the future, recruiting and retaining volunteers and recruiting board members. Some of these problems affect a higher proportion of regional organizations than are affected throughout the country. Organizations with moderate size revenues (\$250,000 to \$499,999) and Hospitals, universities and colleges exhibit a higher percentage of a relatively large number of capacity problems. However, more highly resourced organizations are not immune. In fact, those with the highest revenue report a higher level of many capacity problems.

These figures are suggestive of various implications for various stakeholders. First, it is clear that these are not individual organizational problems, but problems that affect the nonprofit and voluntary sector as an entity. Therefore, there is potential benefit to the sector, or components of it, in working collaboratively to ameliorate these problems. Second, the fact that most organizations have difficulty planning for the future is likely to impair the effectiveness of the services and the quality of the products they produce. This difficulty may be related to the unwillingness of funders to support core operations. The reasons for these planning difficulties should be examined and appropriate action taken. Third, funders should review the forms of funding they provide as most externally funded organizations report the absence of core funding and an over-reliance on project funding as problems. Fourth, governments should review their funding policies. Reductions in government funding were identified as a problem by most externally funded organizations, and organizations which were dependant on government revenue reported almost all capacity problems more frequently than those with other funding patterns. Finally, it is important to develop new strategies for volunteer recruitment based on good understanding of the factors affecting the supply of volunteers. Recruiting appropriate volunteers is identified as a problem by most organizations.

The data contained in this report provide a sound empirical basis for nonprofit and voluntary sector board members and practitioners, funders and governments to identify strategies to enhance the health of the sector, as well as to establish pragmatic priorities for further analysis. This is a wonderful opportunity for evidence-based decision-making.

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