

Benefiting Community: the Economic and Social Impacts of the Voluntary Sector in the Cowichan Region

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Executive Summary

The economic impact of charitable organizations in the Cowichan Region is not insignificant. Collectively, these organizations accounted for over \$119 million in annual revenue and employed nearly 1800 individuals in 2013. Organizations focused on education and research and social services comprise the largest proportion of both annual revenue and paid staff. For 2013, the total economic reach of both the total annual revenues and the compensation paid to employees was greater than that of local governments in the Cowichan Region.

Voluntary organizations in the Cowichan Region support all aspects of community wellbeing. While voluntary organizations are part of the total mosaic that comprises community wellbeing, without the programs and services provided by these organizations, the Cowichan community would see an across the board reduction in its measures of wellbeing. This contribution to community wellbeing, while often difficult to measure discretely, demonstrates the social impact of the nonprofit sector in the Cowichan community.

Sustainability remains a key challenge for the voluntary sector. Analysis of both annual revenues and expenditures and staffing levels indicate that sustainability remains difficult suggesting that organizations may have difficulty in fulfilling their missions. Survey responses from local organizations support this perspective, with a majority of organizations reporting challenges with both funding and capacity.

Although all the organizations who were surveyed recognize the challenges, most local organizations are looking positively towards the future. The majority of survey responses indicated that organizations were hoping to expand their programs and visibility over the next 5 years. Some organizations indicated a desire to deepen their connection to community and to increase their collaborations with other organizations.

While organizations feel constrained by the continued need to secure funding, organizations are looking to the future with a sense of optimism and understanding of the important role that they play in the Cowichan community.

Introduction

Canada has a robust voluntary sector made up of organizations that are focused on activities ranging from arts to environment and from social services to health and education. In 2008, the voluntary sector accounted for 8.1% of Canada's total Gross Domestic Product¹.

In the Cowichan Valley², there are 344 voluntary organizations including 186 organizations that are registered as charities³. These organizations range in focus from education to environmental conservation to arts and culture to health and social services.

Voluntary organizations are often viewed as small, volunteer-run organizations that have limited economic impact on their communities. While this may have been true at one time, the landscape for these organizations is changing, both locally and around the world. Within the Cowichan Valley, the revenues of the largest charity exceeded \$22 million in 2013. In the same period, that organization employed 125 full-time and 90 part-time staff.

Clearly, most organizations are not at this scale of operations. 46% of charities are entirely run by volunteers without paid staff and 32.8% had budgets of less than \$30,000 in 2013.

The work done by voluntary organizations is intrinsically linked to the concept of community wellbeing. Various efforts have been made to measure both the social impact of voluntary sector organizations and the wellbeing of communities. Through their programs that support community vitality, living standards, healthy populations and more, voluntary sector organizations have a significant social impact in the community.

This report is divided into three sections. The first provides an analysis of the economic impact that registered charities have in the Cowichan community. The second section looks more broadly at the social and community impacts that all voluntary organizations have within the Cowichan community, looking beyond the numbers at how voluntary organizations impact the lives of people living in our community. The final section examines the current challenges faced by voluntary organizations.

¹ Emmett and Emmett. Charities in Canada as an Economic Sector, Imagine Canada, 2015.

²For the purposes of this report, the Cowichan Valley has a geographic area equivalent to that of the Cowichan Valley Regional District

³ CRA Charity Listings. <http://www.cra-arc.gc.ca/chrts-gvng/lstngs/menu-eng.html>

Methodology

Economic data for this report was collected from T3010 reports for charitable organizations located within the Cowichan Valley Regional District from the Canadian Revenue Agency website⁴. The distinction between registered charities and nonprofit organizations was not intended to diminish the impact of those organizations, but rather is a function of data that is available. Data was collected for 2011, 2012 and 2013 including total revenue and expenditures, revenue sources, number of paid staff and compensation paid to staff.

Information for the social impact portion of this report was collected from the websites of voluntary sector organizations based in the Cowichan Region. Charitable organizations were identified through the Canadian Revenue Agency online database. Nonprofit organizations were identified through online web search and local knowledge of existing organizations. Case study information was collected from the websites of the specific organizations.

Additional data and comments were provided through a survey that was circulated by email to 146 voluntary sector organizations. 18 responses were received.

It is important to note that a number of exclusions were made when collecting data for this report. Organizations that were excluded from the data collection included the following:

- National or provincial organizations that do not have local branches that are registered locally as separate organizations (eg. Canadian Cancer Society)
- Partnerships of organizations without legal status (eg. Success by Six, Our Cowichan Community Health Network)
- Unions
- Political parties
- Hospitals and health care centres

For the purposes of this report, the following definitions have been used:

- Voluntary sector or voluntary organization refers to any organization regardless of its legal status.
- Charitable organization refers to organizations that are registered as having charitable purposes under the Income Tax Act of Canada.
- Nonprofit organization refers to organizations that do not have charitable status but have registered society status through the BC Societies Act.

⁴ <http://www.cra-arc.gc.ca/chrts-gvng/lstngs/menu-eng.html>

About the Voluntary Sector in Canada

In a practical sense, the breadth of the voluntary sector has made it difficult to define. Six characteristics have been identified to describe voluntary organizations⁵:

- Formal – organizations have a legal identity
- Private – organizations are separate from government
- Non-profit distributing – revenues are returned to the organization, not to private shareholders
- Self-governing – organizations control their own decision making
- Voluntary – volunteers are engaged with the organization in some capacity
- Public benefit – organizations are engaged in creating public good

Although these characteristics help to define what voluntary organizations are, they don't entirely illustrate why voluntary organizations are necessary. One of the key reasons these organizations exist is to fill the gaps between private business and government by providing services that neither is well positioned to provide. Many of these services relate to things that we consume collectively such as clean air or safe streets that economic markets are not able to address. Beyond the market forces, nonprofit organizations also create the ability for joint action on issues that are important to small and large groups of people⁶. Of equal importance, voluntary organizations provide a vehicle for citizen engagement in the community.

From a legal perspective, and for the purposes of this report, organizations can be placed into two groups, those organizations that have registered charitable status (issued federally through the Canada Revenue Agency) and those that do not. Having charitable status gives organizations the advantage of being able to issue tax receipts for donations and to access funds from certain types of granting foundations. However, charitable status also comes with additional requirements in terms of the types of activities that may be undertaken and limitations on political activity⁷.

Voluntary organizations can be classified through the International Classification of Nonprofit Organizations (ICNPO) into 12 groupings by area of activity. Each group has between 2 and 11 subgroups⁸. Those groupings are:

- Group 1 – Culture and Recreation
- Group 2 – Education and Research
- Group 3 – Health
- Group 4 – Social Services
- Group 5 – Environment
- Group 6 – Development and Housing
- Group 7 – Law, advocacy and politics
- Group 8 – Philanthropic intermediaries and voluntarism promotion

⁵ Salamon, L. 1999 What is the nonprofit sector and why do we have it?

⁶ Salamon, L. What is the nonprofit sector and why do we have it?

⁷ Cornerstones of Community, 2003

⁸ The full listing of the ICNPO groupings can be [found at](#):

- Group 9 – International
- Group 10 – Religion
- Group 11 – Business and professional associations, unions
- Group 12 – Not elsewhere classified

There are currently about 86,000 registered charities in Canada and about 12,000 in British Columbia.⁹ Both nationally and provincially, approximately 56% of all voluntary organizations are registered charities¹⁰. In 2012, total revenues for registered charities in British Columbia were \$31.2 billion¹¹.

⁹ CRA Charity Listings. <http://www.cra-arc.gc.ca/chrts-gvng/lstngs/menu-eng.html>

¹⁰ Cornerstones of Community, 2003

¹¹ Blumberg Charity Sector Snapshot, BC, 2014

In the Cowichan Region

There are approximately 350 voluntary organizations in the Cowichan Valley¹² split between the different ICNPO activity groups outlined above. Of those, culture and recreation groups make up the largest number of organizations at 29.7%, with social services (15.7%) and religion (14.9%) are the next highest (see Table 1).

Table 1. Percentage of total organizations by activity group.

Activity Group	Description	# of Organizations	% of total
Business and professional associations	Organizations that work to promote the interests of branches of business or professional interests.	22	6.4%
Culture and recreation	Includes organizations with a focus on media and communications, visual arts, performing arts, historical, literary and humanistic societies, museums, sports organizations, and recreation and social clubs	102	29.7%
Development and housing	Includes community and neighbourhood organizations, economic development, social development, housing associations, job training programs, vocational counselling and rehabilitation.	21	6.1%
Education and research	Includes elementary, primary and secondary education, adult/continuing education and social science and policy studies.	13	3.8%
Environment	Includes pollution abatement and control, natural resources conservation and protection, environmental beautification and open spaces, animal protection and welfare and wildlife preservation and protection.	37	10.8%
Health	Includes mental health treatment, crisis intervention, public health and wellness education, and health treatment for outpatients.	11	3.2%
International	Includes organizations working internationally to provide development assistance, disaster relief and human rights promotion.	6	1.7%
Law, advocacy and politics	Includes civil rights organizations, ethnic associations, legal services, crime prevention and public policy and victim support.	5	1.5%
Philanthropy and Volunteerism	Includes grant-making foundations, volunteerism promotion and support and fundraising organizations.	22	6.4%
Religion	Includes religious congregations.	51	14.9%
Social Services	Includes services for children, families and youth, services for disabled persons and the elderly, self-help and personal social services, disaster and emergency prevent, temporary shelters, refugee assistance, income support and material assistance (eg. Food banks).	54	15.7%
Total		344	100%

¹² This number changes from year to year as new organizations are formed and existing organizations dissolve.

Overall, 54.2% of the organizations in the Cowichan Valley are registered charities. However, different activity groups may be more or less likely to be registered charities. For example, 100% of religious, philanthropy and volunteerism and international organizations are registered charities as compared to 100% of business and professional associations and 78.4% of environmental organizations who do not have registered charity status (see Table 2). This may be a result of two of the key factors that are necessary to be approved for charitable status. In the case of business and professional associations the need to demonstrate public benefit, not just benefit for the members of an organization and for environmental organizations the need to refrain from political activities.

Table 2. Percentage of organizations with charitable status by activity group.

Activity Group	Charity %	Nonprofit %
Business and professional associations	0.0%	100.0%
Culture and recreation	42.2%	57.8%
Development and housing	42.9%	57.1%
Education and research	69.2%	30.8%
Environment	21.6%	78.4%
Health	45.5%	54.5%
International	100.0%	0.0%
Law, advocacy and politics	80.0%	20.0%
Philanthropy and Volunteerism	100.0%	0.0%
Religion	100.0%	0.0%
Social Services	53.7%	46.3%
Total	54.2%	46.1%

Economic Impacts of Charitable Organizations

Economic impact

In 2013, charitable organizations in the Cowichan Region had combined revenues of more than \$119 million (see Table 3). This calculates to an average revenue of \$649,626, however, the median revenue is much lower at \$79,315.

Table 3. Total and average revenues by activity group.

Activity Group	# of Organizations	Total Revenue	Average Revenue
Culture and recreation	43	9,553,770	222,181
Development and housing	9	2,695,798	299,533
Education and research	9	61,814,900	6,868,322
Environment	8	250,979	31,372
Health	5	2,066,616	413,323
International	5	392,617	78,523
Law, advocacy and politics	4	310,735	77,684
Philanthropy	22	12,062,827	548,310
Religion	51	9,823,549	192,619
Social Services	28	20,559,400	734,264
Total	184	119,531,191	649,626

Charitable organizations generate revenue from three main sources, through donations from individuals and businesses, through contributions from government, and through a combination of earned revenues and transfers from other charitable organizations (primarily charitable foundations). Overall in the Cowichan Region, charitable organizations receive 14.3% of their revenue from donations, 26.4% from government and 59.3% from earned revenue and transfers.

Variations from these percentages can be seen between different activity groups, with religious organizations receiving more than 80% of their revenue from donations and having no government support while health and social services organizations received more than 70% of their revenue from government and culture and recreation and education and research organizations received more than 70% of their income from earned revenue and transfers (see Figure 1).

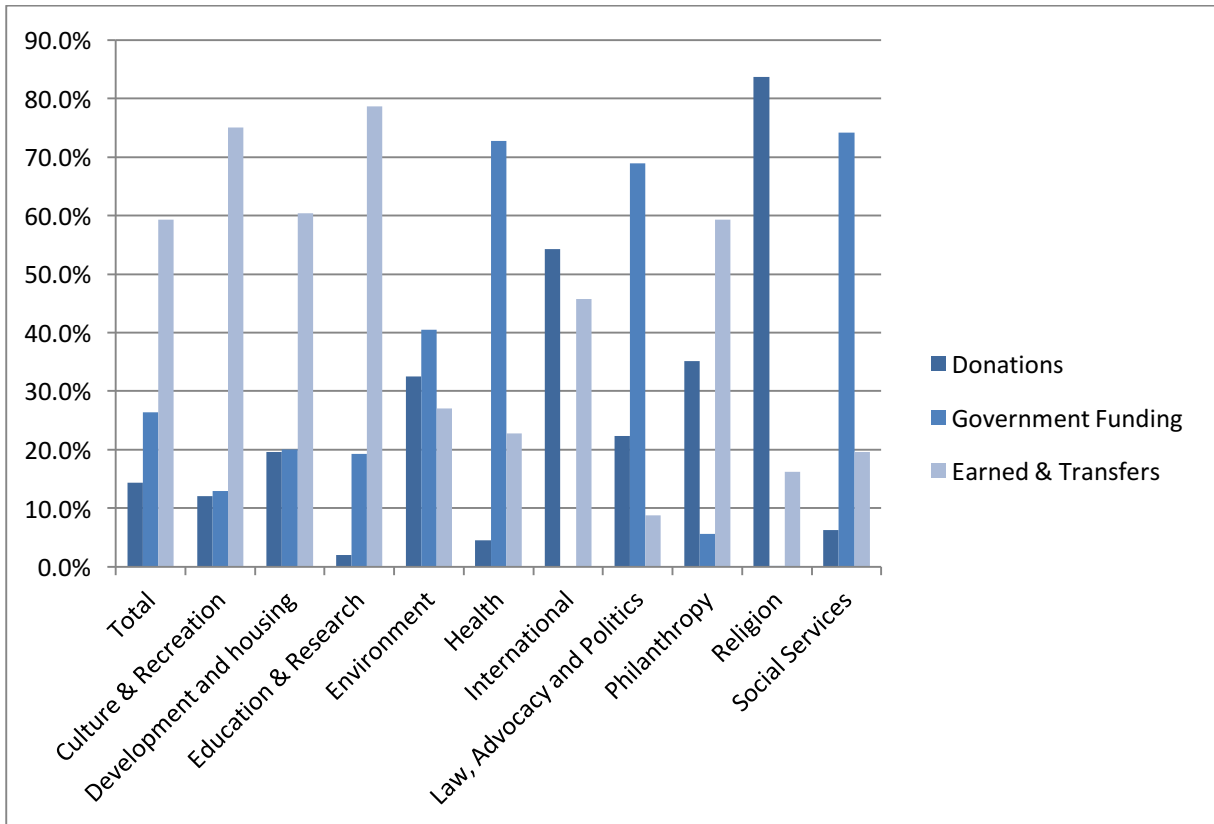


Figure 1. Revenue source as a percentage of total income by activity group.

Total revenues are not distributed evenly between the different activity groups. For example, organizations in the education and research activity group (which includes private schools) comprise just 4.9% of the total number of organizations, but their overall revenue accounts for 51.7% of the total revenues for all charitable organizations. Conversely, religious organizations comprise 27.7% of all organizations, but only have 8.2% of the total revenue (see Figure 2).

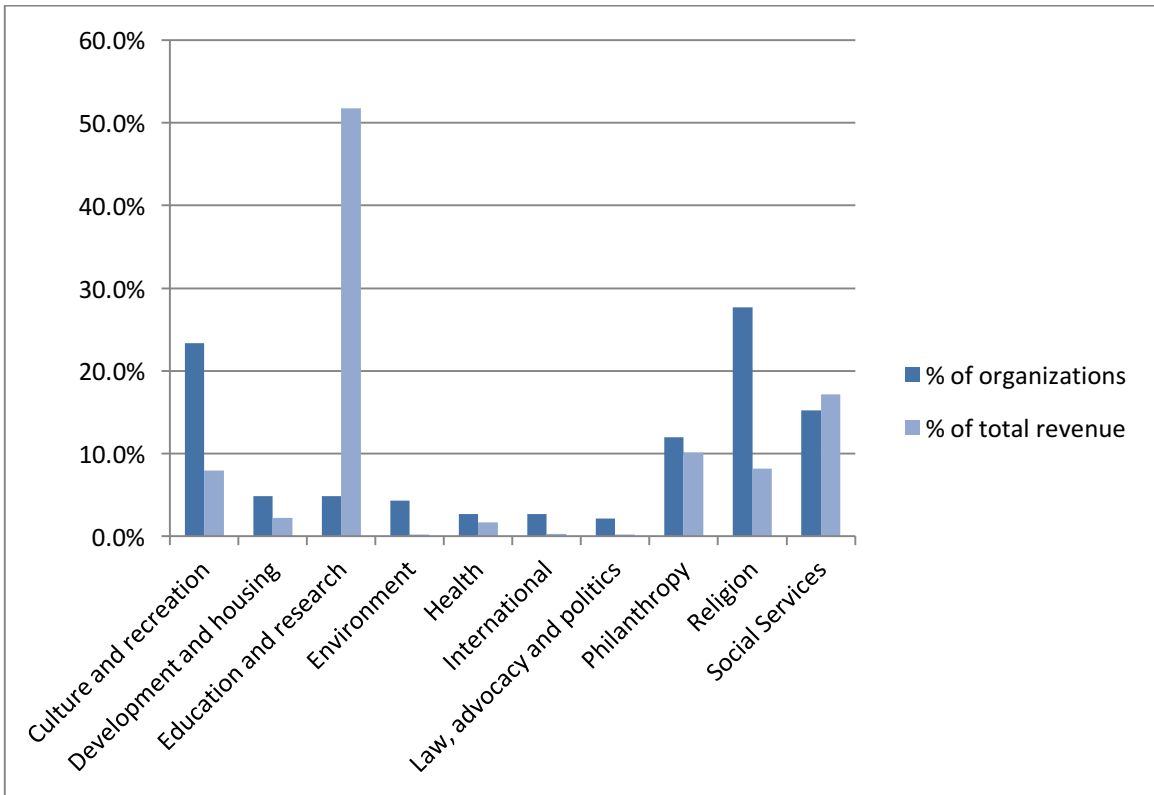


Figure 2. Percentage of organizations and total revenue by activity group.

There is a significant range in the size of charitable organizations and the total revenues that they have. More than 32% of the total organizations have annual revenues of less than \$30,000 per year. These organizations account for 0.6% of the total revenues of all charitable organizations. In contrast, 3.2% of organizations have annual revenues of more than \$5 million per year which account for 59.2% of all revenues (see Figure 3).

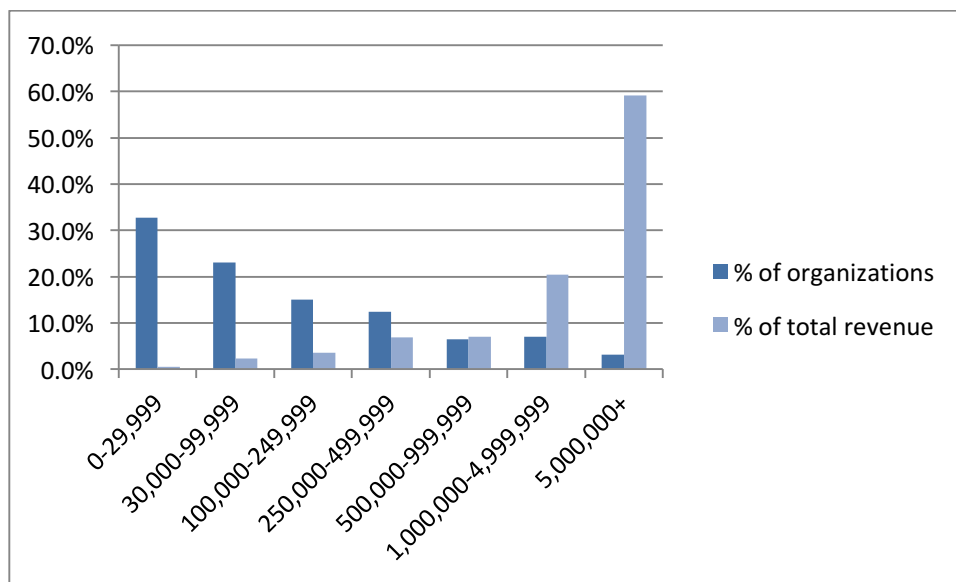


Figure 3. Total annual revenue by organization size.

Overall size of an organization’s budget also reflects its sources of revenue. Donations are the largest revenue source for organizations that have a budget that is less than \$500,000 while government funding and earned revenue and transfers make up a higher percentage of the overall revenue for larger organizations (see Figure 4).

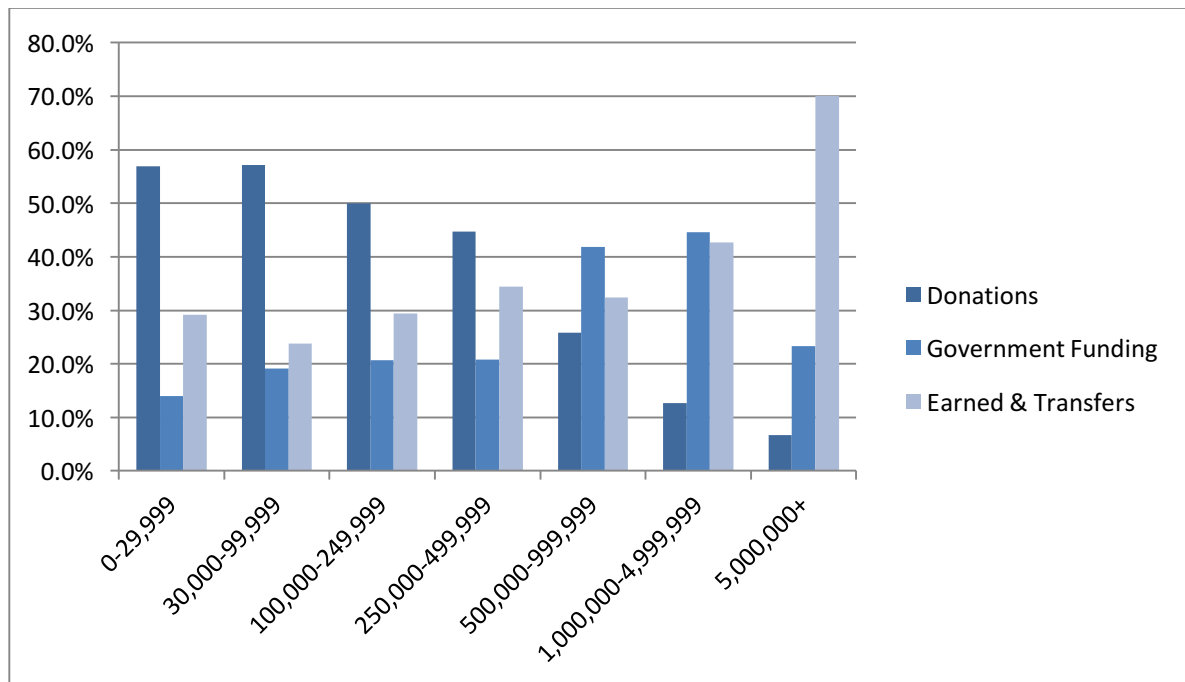


Figure 4. Revenue source by size of organization.

Overall, the \$119 million in annual revenues of charitable sector in the Cowichan Region have an economic impact that is roughly equivalent to that of local government¹³ (\$116 million in 2013). Although data is not available on the total revenues of nonprofit organizations (without charitable status), it should be anticipated that those revenues, while perhaps slightly lower, are also not insignificant.

Different activity groups also have access to different levels of funding, with education and research organizations have the highest overall revenues and environmental organizations having the lowest.

It should also be noted, that revenues are not evenly distributed amongst organizations. A very small number of organizations account for the greatest percentage of total revenues while the largest number of organizations are those with the smallest annual revenues.

Employment

¹³ Data compiled from 2013 financial reporting from North Cowichan, Duncan, Ladysmith and the Cowichan Valley Regional District. Data from Lake Cowichan was not available.

In 2011, charitable organizations employed 1988 individuals in the Cowichan Region. This accounted for 5.1% of the total labour force¹⁴. However, the majority of these positions were part-time. Of the total labour force, employment with charitable organizations accounted for 2.7% of full-time positions and 12.6% of part-time positions.

By 2013, the number of jobs in the charitable sector had declined slightly to 1799. 57% of these positions were part-time, compared to 43% full time. In addition, nearly half of all organizations (46%) did not have any employees. Conversely, the region has a small number of organizations with staff complements of more than 100 people who together employ more than 40% of the total number of paid staff (see Figure 5).

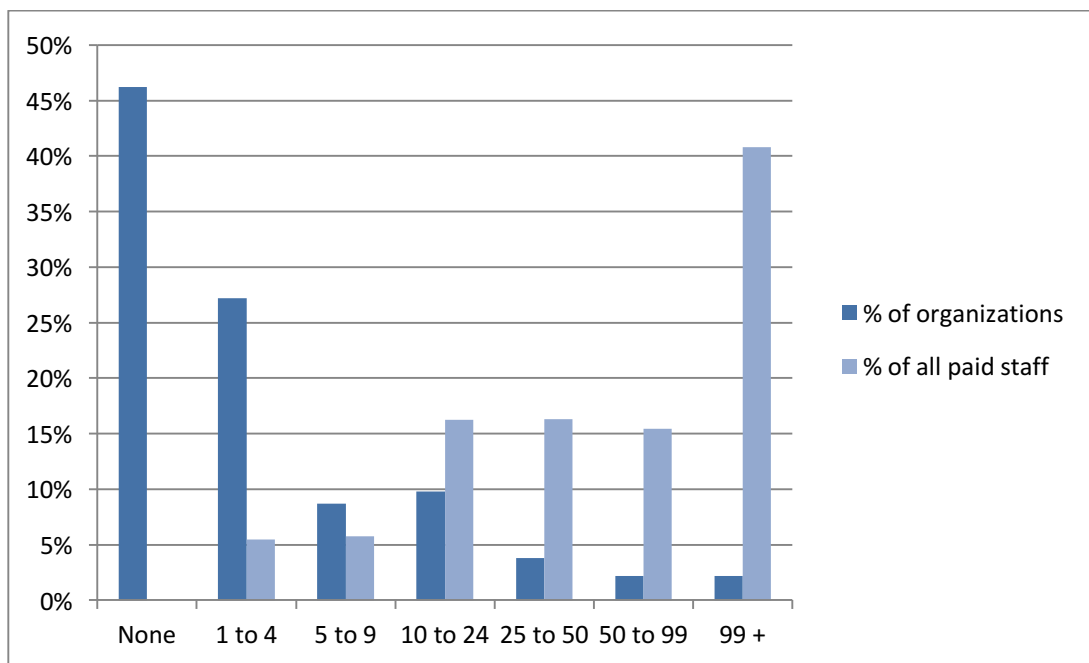


Figure 5. Percent of paid staff by organization.

As with revenue, the number of paid staff vary by activity group. Education and research have the highest numbers of paid staff relative to the number of organizations with nearly 40% of the total employees for less than 5% of the total number of organizations. This number is strongly affected by the presence of large private schools in this category. Conversely, religious organizations comprise 27% of the total organizations, but are responsible for only 9% of the total paid staff (see Figure 6).

¹⁴ Data from the 2011 National Household Survey. 2011 employment data was used so that comparisons to the National Household Survey data would be more accurate.

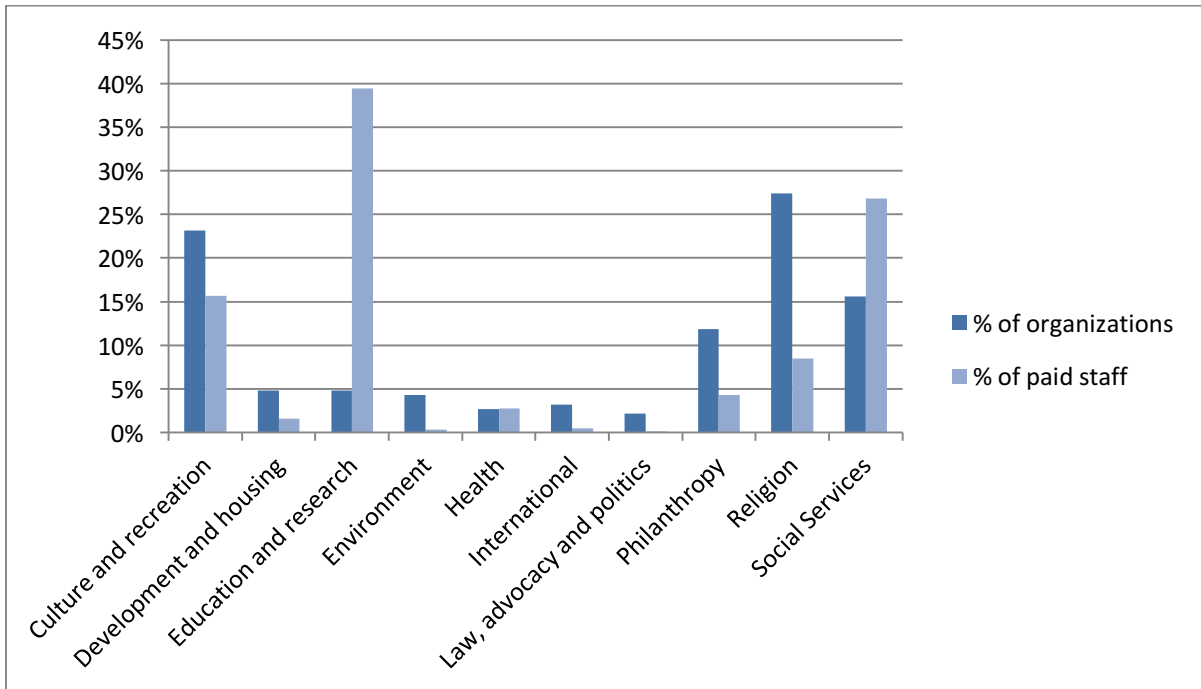


Figure 6. Percentage of paid staff by activity group.

Perhaps not surprisingly, overall size of an organization impacts the number of paid staff. Organizations with revenues over \$1 million employ 75% of the paid staff in the sector. On the other end of the scale, organizations with revenues of less than \$100,000 per year employ only 3% of the total paid staff (see Figure 7).

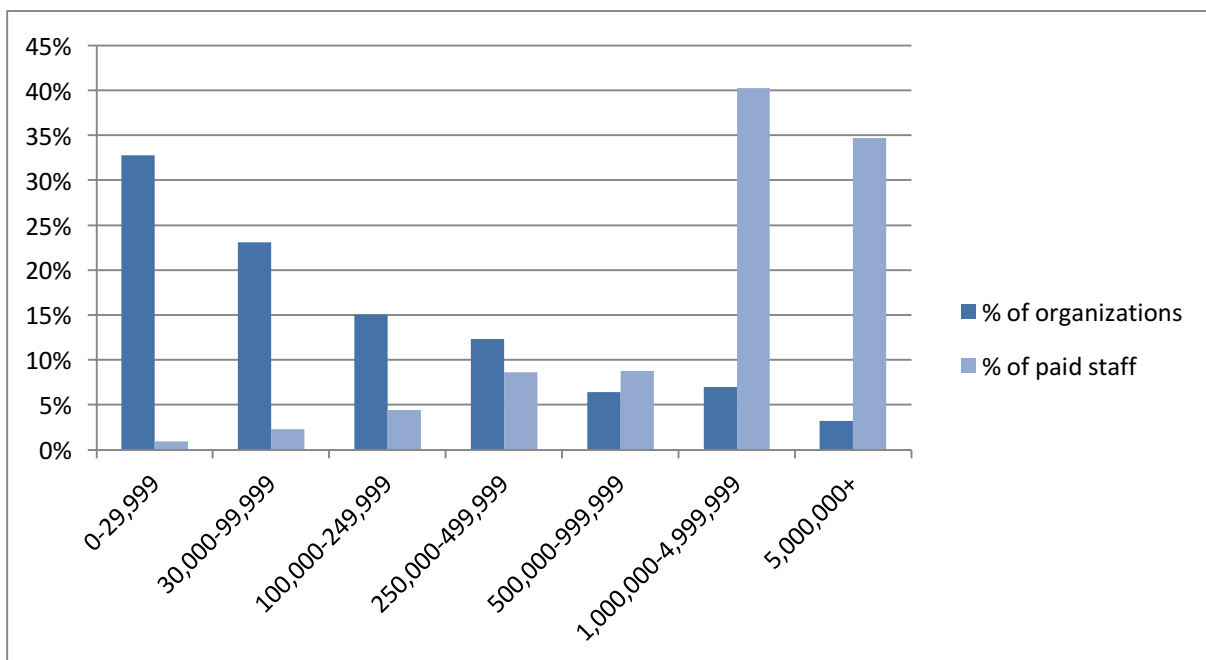


Figure 7. Percentage of paid staff by size of annual revenues.

Overall, charitable organizations paid \$51.4 million in compensation to paid employees in 2013. The bulk of this (\$29.4 million) was paid to employees in the education and research area, while \$12.4 million was paid by social services organizations. The remaining \$9.6 million was split between the other groups of organizations (see Table 4).

Table 4 Compensation to paid employees by activity group.

Activity area	# of Organizations	# of paid staff	# Full Time	# Part Time	Total compensation
Culture and recreation	43	282	61	221	3,045,986
Development and housing	9	29	7	22	448,640
Education and research	9	710	379	331	29,425,409
Environment	8	6	2	4	82,837
Health	5	49	16	33	1,406,099
International	6	9	6	3	149,698
Law, advocacy and politics	4	1	1	0	62,722
Philanthropy	22	77	17	60	894,359
Religion	51	153	85	68	3,563,261
Social Services	29	483	201	282	12,352,610
	186	1799	775	1024	51,431,621

Summary – Economic Impact

The economic impact of charitable organizations in the Cowichan Region is not insignificant. Collectively, these organizations accounted for over \$119 million in annual revenue and employed nearly 1800 individuals in 2013. Organizations working in education and research and social services comprise the largest proportion of both annual revenue and paid staff. For 2013, the total economic reach of both the total annual revenues and the compensation paid to employees was greater than that of local government in the Cowichan Region.

“Our impact is economic. We employ and contract with over 80 individuals. We purchase all our goods and services from the community. We are educating people, and businesses on a daily basis that our service is needed and they benefit from our

Social Impact

What is Social Impact?

A variety of definitions exist for the term “social impact.” Perhaps the most useful definition is a simple one: “Social impact is the effect an organization’s actions have on the wellbeing of the community¹⁵.” Using this definition to examine social impact relies on the assumption that community wellbeing can be measured and analyzed. A number of different indicators and indices have been proposed to measure well-being. One of the better known of these is the Canadian Index of Wellbeing which was developed by Waterloo University in 2011¹⁶.

The Canadian Index of Wellbeing (CIW) defines wellbeing as “The presence of the highest possible quality of life in its full breadth of expression focused on but not necessarily exclusive to: good living standards, robust health, a sustainable environment, vital communities, an educated populace, balanced time use, high levels of democratic participation, and access to and participation in leisure and culture.” CIW identifies eight domain areas that use specific measurements to assess the wellbeing of a community, province or country. The domain areas included in the index are: community vitality, democratic engagement, education, environment, healthy populations, leisure and culture, living standards and time use.

While voluntary organizations clearly do not have sole responsibility for achieving the wellbeing of a community, their individual and collective missions often align with the components of wellbeing that are outlined in the CIW. Therefore, examining the social impact of the nonprofit sector can be achieved by looking for areas of alignment between the mission and programs of voluntary organizations and community wellbeing indicator areas.

Community Vitality

*“Community Vitality measures the strength, activity and inclusiveness of relationships between residents, private sector, public sector and civil society organizations that fosters individual and collective wellbeing”.*¹⁷

Community vitality is seen as being critical to community wellbeing. Contained within community vitality are both an individual’s ability to access the resources of their community as well as their relationships with each other. These factors drive a community’s ability to grow and thrive.

¹⁵ Keith Weigelt, Wharton University of Pennsylvania <http://kwhs.wharton.upenn.edu/term/social-impact/>

¹⁶ <https://uwaterloo.ca/canadian-index-wellbeing/>

¹⁷ <https://uwaterloo.ca/canadian-index-wellbeing/our-products/domains/community-vitality>

Community vitality focuses on social engagement, social support, community safety and attitudes towards others in the community. Perhaps more than any of the other indicators, an argument can be made that all voluntary organizations contribute to community vitality to a greater or lesser extent. Included in within this domain are participation in community activities and a sense of belonging to community, both of which are fostered by the

voluntary sector. Within the Cowichan community, voluntary organizations provide numerous organized community activities that range from sports to workshops to concerts to festivals and more. In addition, nonprofit organizations provide opportunities for individuals to create a sense of belonging, either through membership in joint activities or through volunteering.

“We respond to the needs of the community not the available funding, we are an integral part of our community and are seen as such.”

“What we are most proud of is that we have/are growing in harmony with the surrounding community, for example our store serves both the local community and ourselves. We have been able to accomplish much of what we have through exchanges with neighbours and friends and value our place in this community as mutually beneficial.”

More specifically, the role of religious and philanthropic organizations is worth highlighting in relation to community vitality. Religious organizations provide opportunities for individuals to create strong individual connections that can lead to a sense of community belonging. Philanthropic organizations provide opportunities for individuals to connect with a broader community by donating time and resources to their communities.

Also included in this indicator are measures of safety and crime. Organizations such as community policing, fire and crime prevention, and search and rescue make important contributions to this aspect of community wellbeing.

Programs and services offered by voluntary organizations in the Cowichan Valley give community members the opportunity to build relationships

through volunteering and philanthropy, to create safe communities through safety promotion and crime prevention and to increase a sense of community belonging by creating a sense of community purpose.

Case Study: Duncan United Church

The history of Duncan United Church extends to the 1860's. Duncan United Church is a registered charity and operates under the following philosophy:

"We commit to be a community of faith that follows in the Way of Jesus, striving to embrace diversity in our congregation and community and to affirm the dignity and worth of every person. We believe that extending generous hospitality to all is compatible with Christ's message of unconditional love.¹⁸"

Duncan United Church offers the following programs to the community¹⁹:

- Held Sunday morning worship services weekly and monthly evening Taize style worship 1st Sun from Sept to June.
- Provided pastoral care throughout region.
- Provided children and youth programs weekly;
- financial aid for youth to attend denominational "Camp Pringle" retreats and summer camp programs.
- Volunteers provide free meals and/or food containers to anyone in need, on daily basis.
- We donate to "Mission & Service" of national church.
- Volunteers operate Thrift Store with nominal prices and often provide household items and clothing for emergency basis through church outreach program.
- Monthly volunteers prepare and serve complete dinner, for all ages in the parish hall;
- also generous hampers of food/vouchers/toys/clothing distributed by volunteers at Christmas and during the year on emergency basis
- Parish Nurse is available by appointment, at no charge to advocate for anyone who needs health and spiritual care and/or support.
- Social Justice group meet frequently throughout the year to explore affordable housing options within the region; also advocate for anyone seeking affordable housing or assistance to those living in open parks etc.
- The co-operative group provides meals frequently to those living in open areas within the parish region.

Duncan United Church's mission and programs support community vitality in the Cowichan Region by providing organized activities for community members and by providing opportunities for individuals to volunteer to support others. Although less easily connected, an argument can also be made that the Church increases both levels of trust between community members and a sense of belonging to community through the support offered to its parishioners.

Democratic Engagement

"Democratic Engagement measures the participation of citizens in public life and in governance; the functioning of Canadian governments; and the role Canadians and their institutions play as global citizens."²⁰

¹⁸ <http://www.duncanunited.org/believe.html>

¹⁹ From Duncan United Church 2013 T3010 report to Canada Revenue Agency

²⁰ <https://uwaterloo.ca/canadian-index-wellbeing/our-products/domains/democratic-engagement>

Democratic engagement is viewed as a pillar of a civil society. The ability of individuals to participate in democratic and government processes and to freely express opinions creates more accountable and stronger government institutions.

The indicators included in the democratic engagement domain examine the relationships between individual participation in democratic processes, government accountability and global responsibility. Specifically, indicators include the level of interest in politics, voter turnout, satisfaction with democratic processes, confidence in government and levels of international development aid.

Voluntary organizations in the Cowichan Region support democratic engagement as a component of wellbeing in two ways. First, the Cowichan Valley is home a small number of organizations that are working internationally to support communities in developing countries. Secondly, there are a number of community associations throughout the region who provide a voice for residents to receive information about and to voice support or concern about government initiatives.

The programs and activities offered by voluntary organizations in the Cowichan Region give community members the opportunity to express their views about government processes, to build accountability among government representatives, and to support community development work at an international level.

Case Study – Shawnigan Resident’s Association²¹

The Shawnigan Resident’s Association was formed to represent the interests of community landowners, particularly in relation to adjacent land and water use. SRA has the following mission statement:

“To actively represent community and member interests in matters of the environment, governance and development practices that support our vision for the future of Shawnigan Lake.”

To achieve their mission, SRA has identified the following priority areas:

- Quality of Life highlighting the quality of life in the Shawnigan community
- Shawnigan Governance looking at governance options for the Shawnigan area
- Water Quality focusing on raising attention of needed improvements to water quality in the Shawnigan watershed
- Water Protection focused on legal protection of the Shawnigan watershed
- Property Taxes raising attention of property tax levels paid by local homeowners

²¹ Case study information from: <http://www.thesra.ca/>

SRA has taken a lead role in advocating for the concerns of the Shawnigan Lake community with both local and provincial government officials. By providing this direct connection between community issues and government, organizations like SRA foster interest in political processes and increase the likelihood of local engagement.

Education

"Education measures the literacy and skill levels of the population, including the ability of both children and adults to function in various societal contexts and plan for and adapt to future situations."²²

Education is one of the core factors that contributes to personal wellbeing. Education provides a foundation for learning and adaptation that supports personal development and the development of healthy communities.

"The impact we see in the community ranges from job seekers being able to find and apply for work online (and getting the job) to individuals finally being able to apply for social assistance or persons with a disability. We've helped people apply for citizenship or permanent resident's card. When reading and writing is an issue, we have helped learners move from our program to attain their grade 12."

Included in the education domain are social and emotional competencies, basic educational knowledge and skills and academic attainment and participation. At a surface level, achieving educational success would appear to be the responsibility of the primary and secondary school system. While the public school system is a government body, many private schools are part of the nonprofit sector. Beyond this direct relationship to education, alignment also exists for other voluntary organizations in this area.

Firstly, quality child care is considered an important component of educational readiness. A number of social service voluntary organizations provide child care spaces or otherwise support this priority in the Cowichan community.

Secondly, wellbeing indicators related to education extend into supporting the development of children

beyond their school-based knowledge. These areas include physical health and wellbeing, language and cognitive development, social competence, emotional maturity and communication skills and general knowledge, particularly before children enter the school system. Numerous voluntary organizations in the Cowichan Valley support one or more of these areas of childhood development.

Finally, adult education and training is an important component of education. Several organizations in the community provide literacy and vocational training.

²² <https://uwaterloo.ca/canadian-index-wellbeing/our-products/domains/education>

Through the educational programs offered by local voluntary organizations, community members are able to increase their parenting, computer, financial skills and literacy, access programs to prepare their children for school, access quality childcare, and participate in programs to build their children's communication, emotional and social skills.

Case Study – Chemainus Crofton Community Schools Association²³

The Chemainus Crofton Community Schools Association uses existing school facilities to provide programs and services for community members. The mission of the CCCSA is:

“Schools Connecting Communities. The Chemainus Crofton Community Schools’ Association is committed to bringing schools and community together to learn, create, and grow.”

To achieve their mission, CCCSA provides programs for:

- Early years age 0-5 including social development, school preparedness, play-based learning, parental support, emotional support and child health clinics
- School grades K-7 including afterschool programs, camps, tutoring, summer camps, emotional support and mentoring
- Youth age 12-18 including drop-in sports programs, mentoring and youth work experience
- Families including parenting support programs, financial management and drop-in sports
- Adults and seniors including computer and technology support and fitness programs

These program areas support the educational wellbeing indicators by improving childhood development and school readiness, increasing social and emotional competencies for children and increasing academic success and literacy for adults.

Environment

"Environment measures the state of and the trends in Canada's environment by looking at the stocks and flows of Canada's environmental goods and services."²⁴

“We are saving and protecting natural areas and educating the public to be better stewards of the environment ”

A healthy environment encompasses our entire community. Our community exists as part of the larger environment and impacts on that environment, whether it be the air, water or natural ecosystem will have a direct effect on community wellbeing.

Areas of focus for the environmental domain include

²³ Case study information from: <http://www.chemainuscroftoncommunityschoolsassociation.com/>

²⁴ <https://uwaterloo.ca/canadian-index-wellbeing/our-products/domains/environment>

air, freshwater, energy, non-renewable resources and biotic resources. Measuring these areas involves a range of environmental indicators of wellbeing including greenhouse gas emissions, water availability, ecological footprint, nature conservation and marine health.

In the Cowichan Region, voluntary organizations are engaged in work that supports the spectrum of environmental indicators including air and freshwater quality, reducing greenhouse emissions, reducing ecological footprints, improving and protecting natural and marine areas.

Through the programs offered by voluntary organizations, the community is able to benefit from clean air and water, protected natural habitats and a secure water supply.

Case Study –One Cowichan²⁵

One Cowichan was established in 2012 and is a nonprofit society. One Cowichan’s mission is:

“We want to help make the Cowichan Valley a great place to live, work and play. We believe in holding decision makers accountable to the strong social and environmental values that join us together as a community, and in celebrating this beautiful place - our home. We believe in working shoulder to shoulder with fellow citizens to make our collective voice more powerful.”

Since it was established, One Cowichan has focused on a number of issues including:

- Advocating and raising public awareness for local control of the Cowichan River system and watershed
- Supporting public consultations for the revised BC Water Act
- Surveying local government candidates about community issues
- Advocating for and supporting increased solar energy in the Cowichan Valley
- Training and empowering local leaders on environmental issues

One Cowichan’s work supports environmental wellbeing indicators by improving freshwater quality and availability and reducing greenhouse gas emissions. In addition, One Cowichan’s focus on water will also have benefits for the region’s biotic resources.

Healthy Populations

“Healthy Populations measures the physical, mental, and social wellbeing of the population by looking at different aspects of health status and certain determinants of health.”²⁶

Health is a critical factor in personal wellbeing. It is important that health be viewed beyond the absence of illness or injury to include social, mental and physical wellbeing. Healthy

²⁵ Case study information from: <http://www.onecowichan.ca/>

²⁶ <https://uwaterloo.ca/canadian-index-wellbeing/our-products/domains/healthy-populations>

individuals and a healthy community are better able to cope with changing environments and to create thriving communities.

The healthy populations domain includes a range of indicator areas such as personal wellbeing, functional health, physical health conditions, mental health, life expectancy/mortality, lifestyle and behavior, health care and public health.

Although the provision of health services is primarily a function of government, voluntary organizations play a variety of roles in supporting healthy populations. These contributions to wellbeing include the provision of mental health and addictions counselling, promotion of healthy eating and living, support for developmental and other disabilities, support for end of life and support for individuals coping with specific health issues (eg. Autism, brain injury, etc).

These programs support healthy population indicators by enhancing the overall health of the community and improving life expectancy, reducing depression rates and improving the years lived in good health. By accessing the programs provided by voluntary organizations, community members are able to receive counselling for mental health and substance use, enhance their relationship with health care professionals, receive support for health conditions, and learn about positive lifestyle choices.

Case Study – Cowichan Division of Family Practice²⁷

The Cowichan Division of Family Practice (CDFP) was established in 2009. It is a registered nonprofit society with a mission to:

“To support the people and family physicians of the Cowichan Valley; to identify gaps in patient care; and to develop solutions to meet the community’s needs.”

The CDFP works to achieve its mission through the following programs and activities:

- Patient attachment - ensuring that all local residents who want a family doctor have the ability to get one
- Cowichan maternity clinic – including the establishment and staffing of a separate maternity clinic at the Cowichan District Hospital
- Family practice hospital support – connecting unattached hospital patients with general physicians upon admission to the hospital
- Recruitment and retention – recruiting and retaining doctors to address doctor shortages in the community
- Partnerships – partnering to improve mental health, aboriginal health, palliative care, specialist services, electronic data and coaching for physicians

²⁷ Case Study information from: <https://www.divisionsbc.ca/cv/home>

The programs provided by the Cowichan Division of Family Practice support many of the indicators for the wellbeing of healthy populations. This includes increasing the percentage of the population with good health, improving life expectancy through access to good medical care, improving overall rating of the health care system, and increasing the number of years expected to be in good health.

Leisure and Culture

"Leisure and Culture measures activity in the very broad area of culture, which involves all forms of human expression; the more focused area of the arts; and recreational activities."²⁸

Leisure and culture are important components of social wellbeing. An important aspect of leisure is the ability to act free from constraints of necessity, often with an inherent element of pleasure. Cultural activities encompass not only physical aspects such as art and literature, but also beliefs, value systems and traditions. Both leisure and culture play an important role in creating and supporting individual and community wellbeing.

“[We] collaborate with and often support arts organizations, community events, businesses and other not-for-profit societies in their artistic endeavours.”

Indicators of leisure and culture include physical activity, attending arts and culture activities and performances, volunteering for arts and culture organizations and social leisure activities. Numerous voluntary organizations in the Cowichan Region support this aspect of community wellbeing. The Cowichan Valley has organizations dedicated to the performing arts such as theatre and music, organizations providing opportunities to learn and view visual arts, and a variety of sports and recreation organizations. Through these organizations, community members are able to attend artistic performances and exhibitions, learn new artistic skills, and participate in recreational and sports activities.

Overall, the leisure and culture area is one of the best supported by the voluntary sector in terms of the breadth and variety of opportunities provided.

Case Study – Cowichan Valley Arts Council²⁹

The Cowichan Valley Arts Council (CVAC) was established in 1971. It is a registered charity with a mission to:

"The purpose of the Cowichan Valley Arts Council is to encourage and foster appreciation of the broad spectrum of arts and culture in the Cowichan Valley Region (CVRD), by serving artists and residents through advocacy, by building connections and partnerships and by enhancing both exposure to and participation in arts and culture."

²⁸ <https://uwaterloo.ca/canadian-index-wellbeing/our-products/domains/leisure-and-culture>

²⁹ <http://www.cowichanvalleyartscouncil.ca/>

To achieve its mission, CVAC offers the following programs and activities:

- We produce 25 shows and activities annually in our user space Portals - a centre for arts, culture and heritage.
- We employ 1 full time equivalent staff who oversees 30 plus volunteers.
- Iconic activities include the Cowichan Valley Fine Arts Show, teeny tiny art works and the biennial verse and vision (a poetry and visual arts show and celebration).
- We offer a youth outreach program
- We support Cowichan culture counts, a joint project jointly with the CVRD and the BC Ministry of Community, Sport and Cultural Development

CVAC's programs support the leisure and culture aspects of community wellbeing by providing opportunities for community members to participate in arts and culture activities, to view arts exhibitions, and to volunteer for arts and culture organizations.

Living Standards

"Living Standards measures the level and distribution of income and wealth, including trends in poverty; income volatility; and economic security, including the security of jobs, food, housing and the social safety net."³⁰

Living standard is often used as a placeholder for individual wellbeing. Despite the complexity of assessing overall wellbeing, the ability to meet one's needs for food, clothing and shelter is an important component of wellbeing.

Measuring living standards within a community helps to assess factors such as income inequality, trends in family incomes, unemployment and housing affordability. As well, living standards reflect the quality of our social safety net; whether we are able to prevent or mitigate increases to levels of poverty.

"We provide opportunity and supports to those starting business and creating jobs... This is important because in rural communities small businesses are the biggest job creators."

Indicators included in this domain include family income levels, housing affordability, unemployment levels and labour force data.

Voluntary organizations impact living standards in several ways. Firstly, some organizations such as business associations, directly support economic development initiatives in the community. Other organizations are focused on providing direct support to business development, through loan programs and professional advice. By promoting and supporting

³⁰ <https://uwaterloo.ca/canadian-index-wellbeing/our-products/domains/living-standards>

local businesses, these organizations have the ability to impact employment and family incomes.

“I get to witness miracles, when parents are able to provide food for their family they feel better about themselves and start to believe they have skills that are valued in society.”

Secondly, a number of organizations provide affordable housing, particularly to seniors and those with low incomes. These programs have a direct impact on housing affordability indicators.

Finally, there are a significant number of organizations that provide services that extend the social safety net, including programs such as food banks. While these programs do not have a direct impact on income levels or unemployment, they are undoubtedly helping to

improve the standard of living for many members of the community.

By accessing the programs provided by nonprofit organizations, businesses are able to promote themselves, and access loan and business development programs. In addition, families are able to access food and other services that support their standard of living.

Case Study – Community Futures Cowichan³¹

The Community Futures Cowichan was established nationally in 1986. Community Futures Cowichan is an independent nonprofit organization and its mission is:

" Providing leadership, resources and infrastructure to entrepreneurs and community organizations for the benefit of local and regional economic growth and development."

To achieve this mission, Community Futures offers the following programs:

- We provide a variety of different support services to people wanting to start, expand, franchise or sell a business in the community. In addition, we offer facility rentals to local groups and businesses.
- We also work in partnership with other business lenders, educational institutions, not-for-profits and local governments to grow and diversify our local economy. We are completely focused on the needs of our clients, our local businesses, and our area's economy.

Community Futures supports living standards within the Cowichan community by improving the capacity of local businesses to offer employment and income to local residents.

Time Use

³¹ Case study information from: <http://www.cfcowichan.ca/>

"Time use measures the use of time, how people experience time, what controls its use, and how it affects wellbeing."³²

How individuals use their time and the flexibility they have in how their time is used, including amounts of time spent working, in leisure activity or volunteering are important components of wellbeing. Individuals who feel pressure from time constraints may feel lower levels of wellbeing.

Distinctions should be made between how adults, children and seniors spend their time. For adults, time use is often determined by the flexibility of work obligations, while seniors spent time on leisure and volunteer activities. For children, time spent with family, in recreational activities or on screens are defining factors.

Voluntary organizations support this aspect of community wellbeing by supporting families who are caring for seniors, by providing leisure and volunteer opportunities for seniors, by providing counseling services for those struggling with time management issues, by providing parenting support and by providing organized recreational opportunities for children.

The programs and services offered by voluntary organizations in the Cowichan Region give community members the ability to receive support when caring for aging family members, access parenting support and counselling services when dealing with the stress of time demands and to give their children the opportunity to play sports or other recreational activities.

Case Study – Cowichan Family Caregivers Support Society³³

The Cowichan Family Caregivers Support Society was incorporated as a registered charity in 2000. Their mission is:

- To acknowledge and support people in their care giving role
- To alleviate stress
- To improve their quality of life
- To enhance the rights of family caregivers

To achieve their mission, the Society offers the following programs and activities:

- Support circles
- Support groups
- One-on-one emotional support
- Education
- Advocacy
- Resource information and referral

³² <https://uwaterloo.ca/canadian-index-wellbeing/our-products/domains/time-use>

³³ Case study information from: <http://familycaregiverssupport.org/>

- Community development

Care giving requires a significant time commitment from family members. Through their services, Cowichan Family Caregivers Support Society provide support to this aspect of how individual's use their time.

Summary - Social Impact

Voluntary organizations in the Cowichan Region support all aspects of community wellbeing. While voluntary organizations are part of the total mosaic that comprises community wellbeing, without the programs and services provided by these organizations, the Cowichan community would see an across the board reduction in its measures of wellbeing. This contribution to community wellbeing, while often difficult to measure discretely, demonstrates the social impact of the voluntary sector in the Cowichan community.

“We create inclusive opportunities for people who might not otherwise have these openings. We believe we are supporting special needs people gain self-worth which they can then contribute back to the larger community.”

Challenges Facing the Sector

Both the economic and social impacts of the voluntary sector in the Cowichan Region speak to both the necessity and success these organizations have had in the community. However, the unique nature of the voluntary sector creates specific challenges for the ongoing longevity of the sector and for individual organizations. Of particular concern is the issue of sustainability.

Sustainability

Sustainability in the voluntary sector is often viewed as a panacea for organizational success. Increasingly, both foundations and government funders are requesting that voluntary organizations provide information about their long term sustainability as a condition of funding. In part, this perspective comes from the sense that providing funds to voluntary organizations is a charitable act rather than an investment in community. Given the economic and social impact that voluntary organizations have in the community, a more accurate assessment may be that providing funds to voluntary organizations is not a charitable hand-out, but instead, is a partnership that benefits the overall wellbeing of a community.

Voluntary organizations are faced with limited options when it comes to controlling their own sustainability. Donations, grant funding and funding from governments are often on an annual cycle, are project specific and have no guarantee of approval or renewal. Two strategies that are more fully within organization's control are operating social enterprise businesses and receiving revenues from endowments. While each of these strategies has merit and voluntary organizations are able to use these strategies to raise funds, neither is the sole solution to the issue of sustainability.

Social enterprise businesses can provide regular income streams for voluntary organizations who wish to operate a business. However, charitable organizations are restricted from the type of business that they may operate. For charitable organizations, businesses must be directed related to the nature of the organization's charitable activities. Also, not all voluntary organizations may wish to be involved in business activities which require an additional skill set.

Endowment funds, where funds are held in trust by a community foundation (such as the Victoria Foundation) and interest is paid to an organization each year can provide a regular source of funding. However, significant endowments are required in order to receive a reasonable return, particularly with current low interest rates. At a rate of 2% interest, an endowment of \$1,000,000 would generate \$20,000 per year. \$1,000,000 is an insurmountable sum for a small organization to raise as an endowment and \$20,000 is an insignificant amount of revenue for an organization that is large enough to have an endowment of that size.

With these challenges in mind, there are positives and negatives that can be seen when looking at the sustainability of the Cowichan Region's voluntary organizations between 2011 and 2013.

Overall, revenues for the charitable sector increased by 10% between 2011 and 2013. However, expenditures during the same period increased by 14%. As with other economic indicators, these trends are not evenly applied among the different activity areas within the charitable sector. Culture and recreation, environment and health all saw decreases in annual revenue during this period. Similarly, culture and recreation, environment, health and religious organizations all decreased their expenditures between 2011 and 2013 (see Table 5).

Table 5. Changes in annual revenue and expense between 2011 and 2013 by activity group.

Activity area	% change in revenue	% change in expense
Culture and recreation	-42%	-7%
Development and housing	17%	6%
Education and research	21%	25%
Environment	-24%	-43%
Health	-4%	-6%
International	16%	13%
Law, advocacy and politics	11%	33%
Philanthropy	11%	14%
Religion	4%	-4%
Social Services	6%	2%
Total	10%	14%

Differences can be seen between the different sources of funding as well. Funding from government and from earned revenue and transfers increased by 24% and 7% respectively during the period. Donations, however, fell by 4% between 2011 and 2013, which is consistent with the national trend³⁴ which has seen a decline in donor rates over the past 10 years.

Once again, differences are apparent between the different activity groups. There were no activity groups that saw increases from all sources of funding and culture and recreation was the only area to see an across the board decrease from all funding sources. Education and research saw significant gains from government funding (as did religious and philanthropic organizations, however, the overall amounts of funding received were small which resulted in larger changes through time). With the exception of culture and recreation and religious organizations, all other activity groups increased their earned revenue and transfers during this period (see Figure 8).

³⁴ <http://www.statcan.gc.ca/pub/89-652-x/89-652-x2015001-eng.htm>

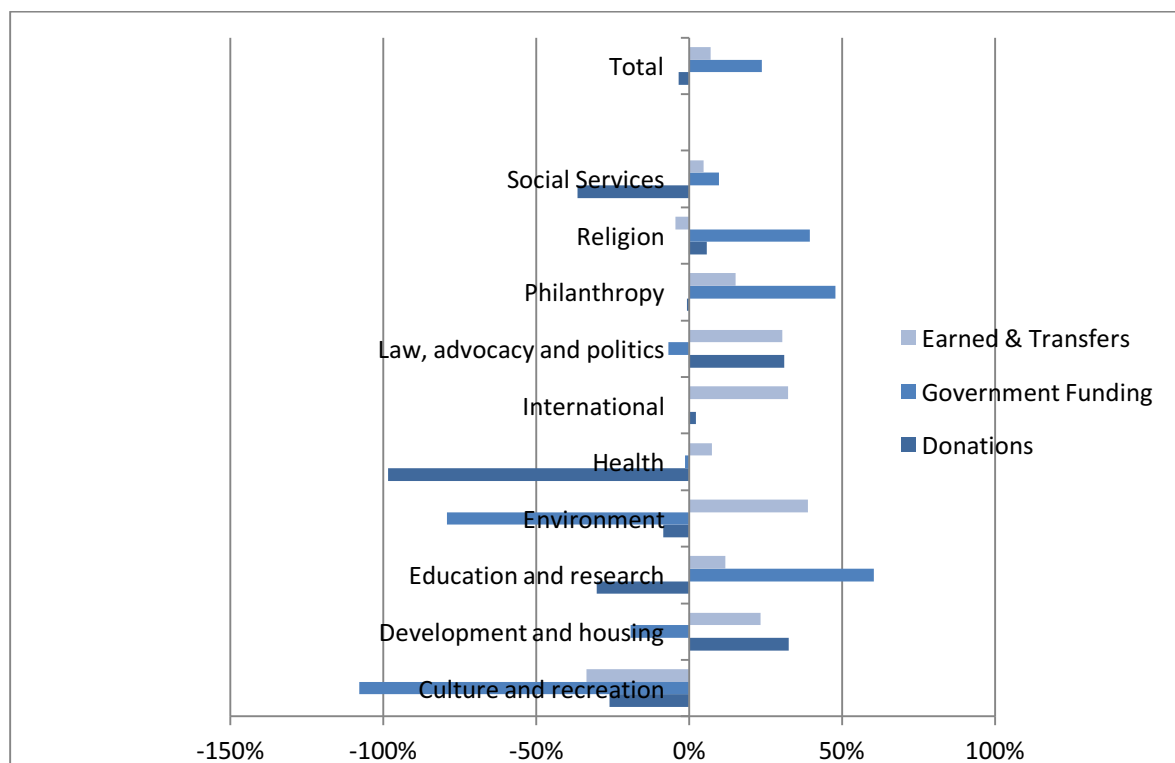


Figure 8. Changes in source of revenue by activity group 2011-2013.

The charitable sector also saw a decrease in paid staff of 10% between 2011 and 2013. Although the numbers of full-time staff increased by 7% during this time, the number of part-time staff decreased by 19%. Again, this is particularly evident in the culture and recreation sector, which saw an overall decrease in staff of 51% (see Table 6).

Table 6. Changes in staffing by activity area, 2011-2013.

Activity area	Full time staff	Part time staff	All staff
Culture and recreation	-2%	-57%	-51%
Development and housing	-42%	-4%	-17%
Education and research	10%	21%	15%
Environment	0%	-20%	-14%
Health	7%	6%	7%
International	50%	50%	50%
Law, advocacy and politics	0%	0%	0%
Philanthropy	325%	173%	196%
Religion	4%	1%	3%
Social Services	1%	-12%	-7%
Total	7%	-19%	-10%

Voluntary organizations receive support from all levels of government. Among the funds that are most difficult to secure are funds needed for core operations such as administration, rent and related costs. Local governments in the Cowichan Region provide funding support to different organizations³⁵ through grants-in-aid and other mechanisms. Overall, the percentage of funds provided by local government is very small and accounted for 1.3% of the total revenue of charitable organizations in 2013 (see Table 7).

Table 7. Grant contributions by local government from 2011 to 2013³⁶.

Grants to Organizations	2011	2012	2013
CVRD	601,495	728,670	1,171,166
Duncan	89,869	75,020	100,492
Ladysmith	84,950	114,100	106,750
North Cowichan	112,910	114,437	146,759
Total Grants in Aid	889,224	1,032,227	1,525,167
Grants as % of total charitable revenue	0.8%	1.0%	1.3%
Grants as % of government funding	3.7%	4.3%	4.8%

Despite the overall scale of these contributions, their importance to local organizations, both in terms of the type of funding provided and as an investment from community cannot be overstated. It is also important to note that local governments frequently provide funds to smaller organizations which have a larger impact on the individual organizational budget.

Through an email survey, Cowichan organizations were asked to identify their greatest challenges over the past five years. Of the 18 organizations surveyed, 11 indicated that funding and fundraising had been their greatest challenge over the past 5 years. In addition, 5 agencies reported that their greatest challenge was the recruitment and retention of staff and volunteers. While this is a small sample size, the uniformity of response indicates that funding and capacity are significant concerns for the voluntary sector in the Cowichan Region.

“Without a doubt, the biggest challenge for [our organization] has been the attainment of a steady source of funding.”

Summary of Current Challenges

³⁵ Local governments provide funding to both charitable and nonprofit organizations. The percentages provided compare these contributions to the funds received by charitable organizations and should be used to evaluate order of magnitude rather than as a specific percentage.

³⁶ Data from the Town of Lake Cowichan was not available.

Sustainability remains a key challenge for the voluntary sector. Analysis of both annual revenues and expenditures and staffing levels indicate that sustainability remains difficult suggesting that organizations may have difficulty in fulfilling their missions. Survey responses from local organizations support this perspective, with a majority of organizations reporting challenges with both funding and capacity.

Looking to the Future

Despite the challenges facing the voluntary sector, there are some positive trends. Annual revenues have increased between 2011 and 2013 and recent legislation to support the creation of social enterprise companies may provide additional options for revenue generation.

Although all the organizations who were surveyed recognize the challenges, most local organizations are looking positively towards the future. The majority of survey responses indicated that organizations were hoping to expand their programs and visibility over the next 5 years. Some organizations indicated a desire to deepen their connection to community and to increase their collaborations with other organizations.

While organizations feel constrained by the continued need to secure funding, organizations are looking to the future with a sense of optimism and understanding of the important role that they play in the Cowichan community.

“[We] hope to find that important core funding so that we can just get on and do what we do best!”

Appendices

- List of organizations and websites
- Detailed data tables
- Canadian Index of Wellbeing indicators
- Survey Questions

References