

WHAT TRENDS WILL IMPACT CHARITIES AND NONPROFITS IN THE THIRD QUARTER OF 2023?



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Nonprofits that are not paying attention to equity, diversity and inclusion are likely to face increasing challenges

Last fall, Statistics Canada released [detailed projections](#) about what Canada's population could look like in 2041. These projections show that, if current trends continue, by 2041 half of Canada's population will be made up of immigrants and their Canadian-born children, approximately 40% will be part of a racialized group, and a quarter will be born in Asia or Africa. Among younger age groups, as many as half the population could be racialized. This suggests that nonprofit organizations that fail to take equity, diversity and inclusion seriously are likely to face increasing challenges. They may find donation dollars, membership numbers, and client satisfaction scores dwindling. They almost certainly will have difficulty recruiting and retaining staff members, board members, and non-board volunteers.

This is the lens through which nonprofit leaders should review the results of a recent survey undertaken by the Equitable Recovery Collective. The study, [Shifting Power Dynamics: Equity, Diversity and Inclusion in the Nonprofit Sector](#), found that 39% of nonprofit organizations have never conducted an equity audit of any aspect of their activities; 21% collect no equity-related information about the people they serve; and 18% do not have even one policy that highlights equity, diversity and inclusion. The study also found that white-led organizations consistently do less in relation to equity, diversity and inclusion than organizations with Black or Indigenous leaders or leaders from other underrepresented communities. White-led organizations are less likely to have conducted equity audits of their operations; to have policies and procedures referencing equity, diversity and inclusion; to track the characteristics of their board, staff, and volunteers; and to collect and use equity-related information about the people they serve. Organizations with equity working groups generally

perform better than those without such groups, but even here white-led organizations underperform compared to minority-led organizations, with only 28% of white-led organizations having such groups compared to more than 40% of minority-led organizations. Clearly, many organizations have a lot of work to do to ensure their programs and policies meet the needs of Canada's 21st century population.

¹ Statistics Canada. [Table 33-10-0666-01 Business or organization obstacles over the next three months, second quarter of 2023.](#)

² Statistics Canada. [Table 33-10-0617-01 Volunteers and challenges businesses face in volunteer recruitment and retention, fourth quarter of 2022.](#)

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