ONTARIO NONPROFIT NETWORK

STATE OF THE SECTOR SURVEY 2025

Topline Report
2025

ENVIRONICS RESEARCH

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OBJECTIVE

Ontario Nonprofit Network (ONN) is the independent nonprofit network for the 58,000 nonprofits and charities in Ontario. As an organization that supports such a vast ecosystem, it is essential that ONN have accurate and meaningful measurement of the current state of Ontario nonprofits and how this is changing over time, to inform advocacy efforts and guide public policy development, and support knowledge sharing within the sector. This survey represents a critical source of information on the sector's current opportunities and challenges.

The purpose of the ONN state of the sector survey is to:

- Identify and share the state of the sector in a given moment of time.
- Understand how the sector is changing over time and why, to directly inform progress and pathways to progress for ONN's strategic priorities.
- Generate high quality data about the sector, disaggregated by demographic profiles, that nonprofits then have access to.
- Use the survey findings to increase ONN and the sector's ability to influence public policy, funders, and the public.

The scope of the survey is to:

- Collect data and evaluate the annual state of the sector.
- Ask organizations operational questions that reflect on the past fiscal year (April - March).
- Some questions may not have any connection to their current fiscal year but to their desired states or other opinions.
- Disaggregate data by various demographic profiles.

RESEARCH METHODS

This report is based on an online survey completed by 469 nonprofit organizations in Ontario between May 13 and June 27, 2025. The survey was open to all nonprofit organizations in the province. The questionnaire was designed by ONN, with input and advice from Environics Research. Environics Research programmed the survey, which was then publicized to Ontario nonprofit organizations by ONN through a variety of channels. Participants who completed the survey were invited to enter a draw for one of four gift cards worth $50 each; the random draw was conducted by Environics Research after the survey was closed.

About this report: All questions in the survey were optional. Unless otherwise noted, results for all questions are based on the total sample of 469 participants, excluding those who chose not to answer the question. Sometimes results do not add to 100% due to rounding or multiple responses. Labels for values less than three per cent are not shown. For “select all that apply” questions, categories with no responses are not shown.

This sample is a convenience sample, meaning that it was drawn from a conveniently available group of individuals. Because it is not a probability sample (respondents were not randomly selected, nor did all individuals in the desired communities have an equal chance of being selected into the sample), the sample cannot be considered representative of all Ontario nonprofit organizations.

The methodology for classifying region and urban/rural changed in 2025. Previously in 2024, organizations self-identified their region and community type. In 2025, this information was derived from their postal code (FSA). In addition, the 2025 survey reflects a smaller respondent group (n=469) compared to 2024 (n=1,001). While still robust enough to surface meaningful patterns, the reduced sample size may limit the diversity of perspectives captured. With fewer responding organizations from rural and northern communities, it cannot be determined the extent to which this is due to measurement or response rate changes.

Results from the 2024 survey have been integrated throughout the report to highlight key trends, where relevant, and meaningful.

ORGANIZATION

Key Insights
Organization

- Organizations were asked to use three words to describe how they are feeling right now. The words provided reflect both strain and perseverance in the sector. This year, the most common response was ‘hopeful’ or ‘optimistic’ (30%) followed by under-resourced (25%). Organizations are at the same time feeling stressed (24%) as well as determined and dedicated (23%) and uncertain (23%).

- This reflects the nature of the nonprofit sector in 2025 in that, even in the face of challenges, the work continues.

- The 2025 state of the sector survey engaged 469 nonprofit organizations across Ontario, representing communities throughout the province, working in a wide array of subsectors. About half of the organizations who responded to the survey are operating with a budget of less than $1M per year (47%).

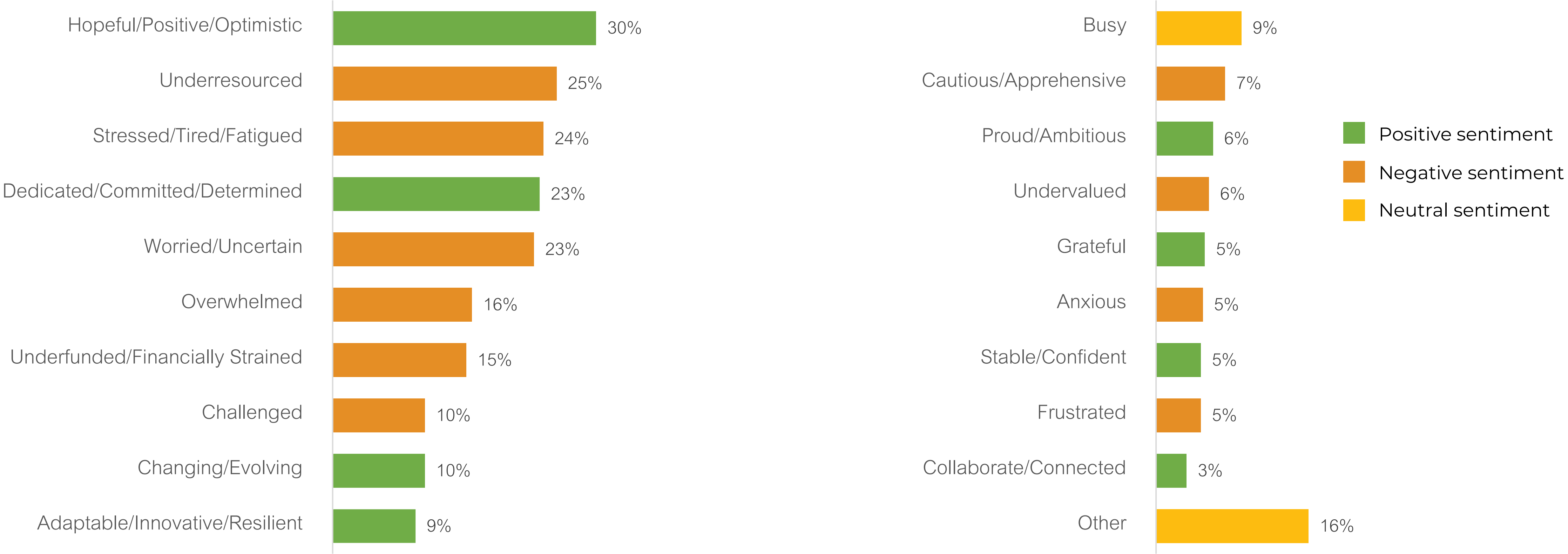
- The following slides provide a closer look at the characteristics of the organizations who responded to this year’s state of the sector survey.

The nonprofit sector in Ontario continues to face significant challenges but organizations remain optimistic and adaptable.

Feeling | **Organization**

Organizations reported a complex mix of emotions, including both positive emotions like hope and determination as well as negative emotions about feeling under-resourced, stressed, and uncertain.

*Q1 Share three words that describe how your organization is feeling right now.**



**Responses were coded and tallied by theme. Themes below 3% are not shown in graph.*

Characteristics | **Organization**

Organizations from many different communities across Ontario responded to the survey. Most organizations have a local or regional reach and operate in English. Five per cent operate in a rural community.

Q2 Enter the postal code for your organization's main Ontario office/headquarters.
Q2A Where does your organization primarily operate?
Q3 What is the primary language of operation of your organization?

Region in Ontario

41% Central Ontario

19% Western Ontario

18% Eastern Ontario

3% Northern Ontario

Reach

45% Local

35% Regional

11% Provincial

8% National

1% International

Language of operation

87% English

2% French

10% Bilingual (French & English)

1% Other

Community type

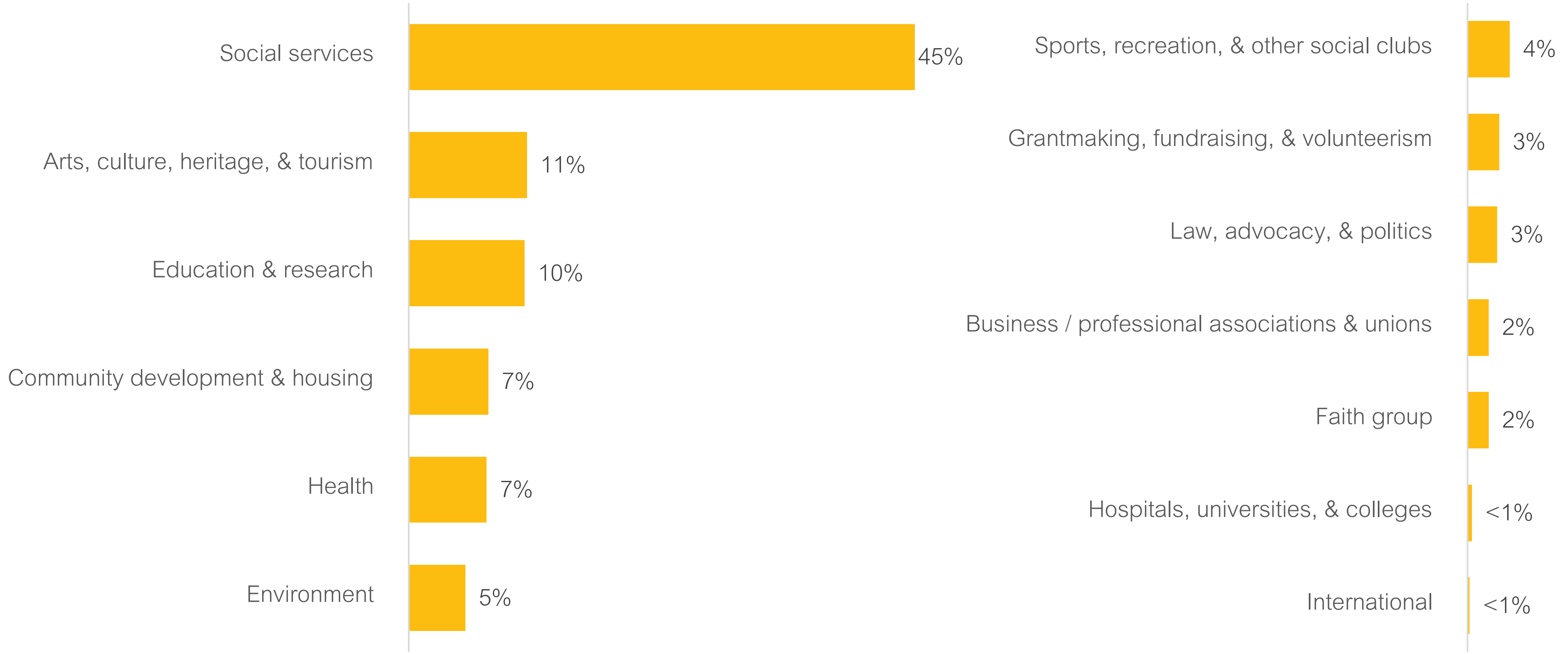
5% operate in a rural community*

*identified using FSA provided

Region and Subsector | **Organization**

Social services is the most common subsector among organizations responding to the survey.

Q5 What nonprofit subsector does your organization primarily belong to? (Categories are based on International Classification of Nonprofit Organizations)

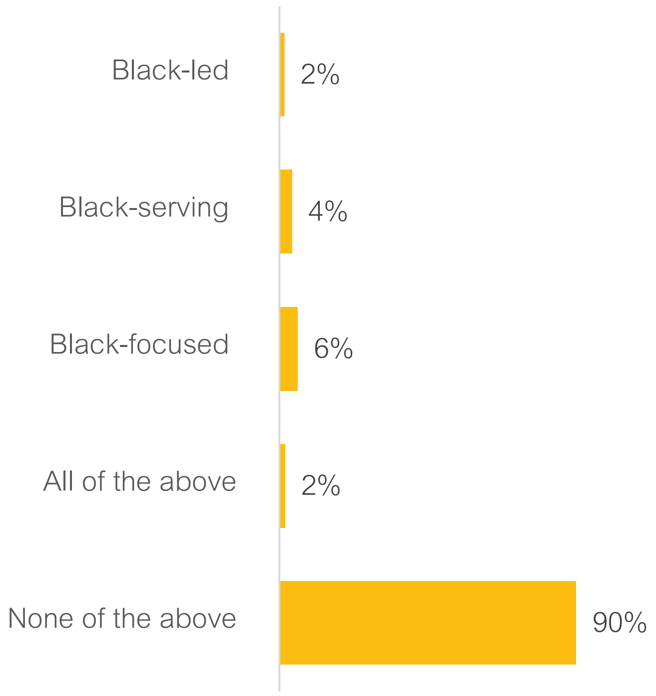


Equity-Deserving Groups | **Organization**

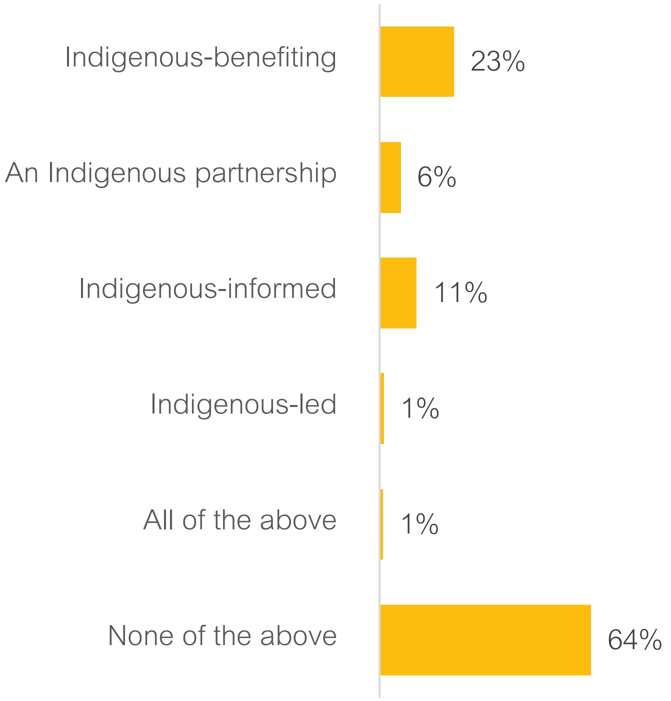
Many organizations responding to the survey have mandates specific to equity-deserving groups.

Q6-8 Is your organization any of the following:

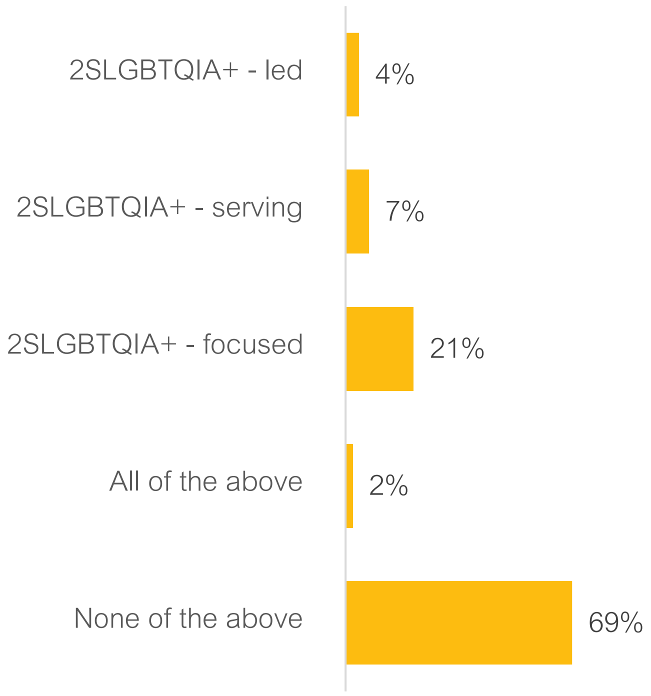
Black



Indigenous

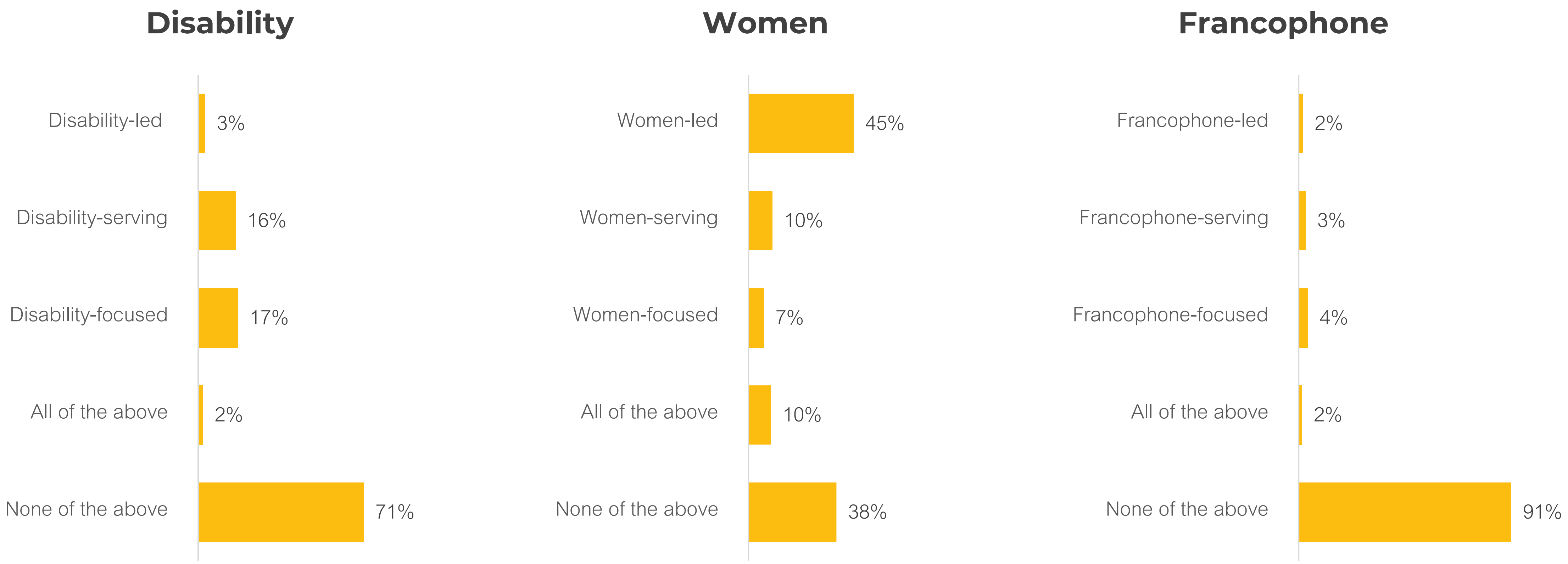


2SLGBTQIA+



Equity-Deserving Groups | **Organization**

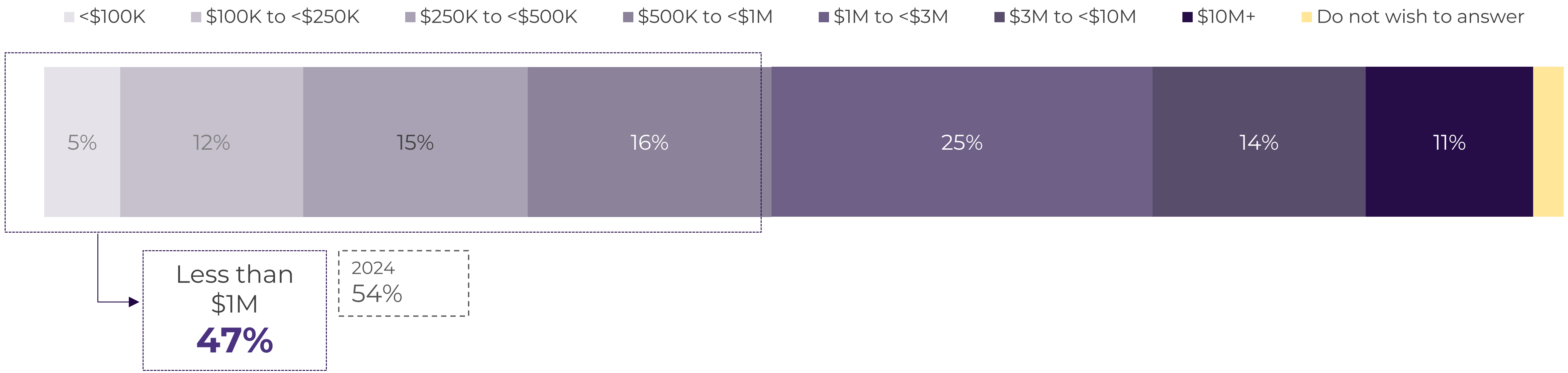
Q10a-10c Is your organization any of the following:



Operating Budget | **Organization**

About half of organizations who responded to the survey have an annual operating budget of less than $1 million.

Q9 *What is your organization's annual operating budget in fiscal 2024-2025?*



OPERATIONS

Key Insights
Operations

- In 2025, nonprofit organizations were largely affected by the economic downturn, which disrupted nearly every aspect of operations from revenue (69%) and expenses (62%) to staff (57%) and programming (54%). Technological advancements also had a notable impact on the sector, especially on staff (28%), programming (23%), and expenses (21%), while a decline in DEI initiatives has impacted staff (26%) and programming (21%).

- In response to these and other world events impacting the sector, many organizations plan to focus on both fundraising and community engagement, including strengthening funder relationships, increasing community engagement efforts, and adjusting fundraising strategies.

- Nonprofit organizations in Ontario continue to face growing pressure as demand for programs and services rises and their ability to meet that demand remains somewhat uncertain.

- While not yet widespread, some nonprofits are feeling the effects of increased for-profit activity in their subsector, with a minority reporting lost contracts.

Nonprofits are navigating a tough economy, rising costs, and a mix of external pressures. Many are adapting their operations and finding creative ways to stay resilient, focusing on community engagement, and fundraising solutions.

World Events | **Operations**

An economic downturn is the most common factor affecting aspects of organizational operations. Technological and digital advancements, political instability outside of Canada, and the DEI backlash are also significant.

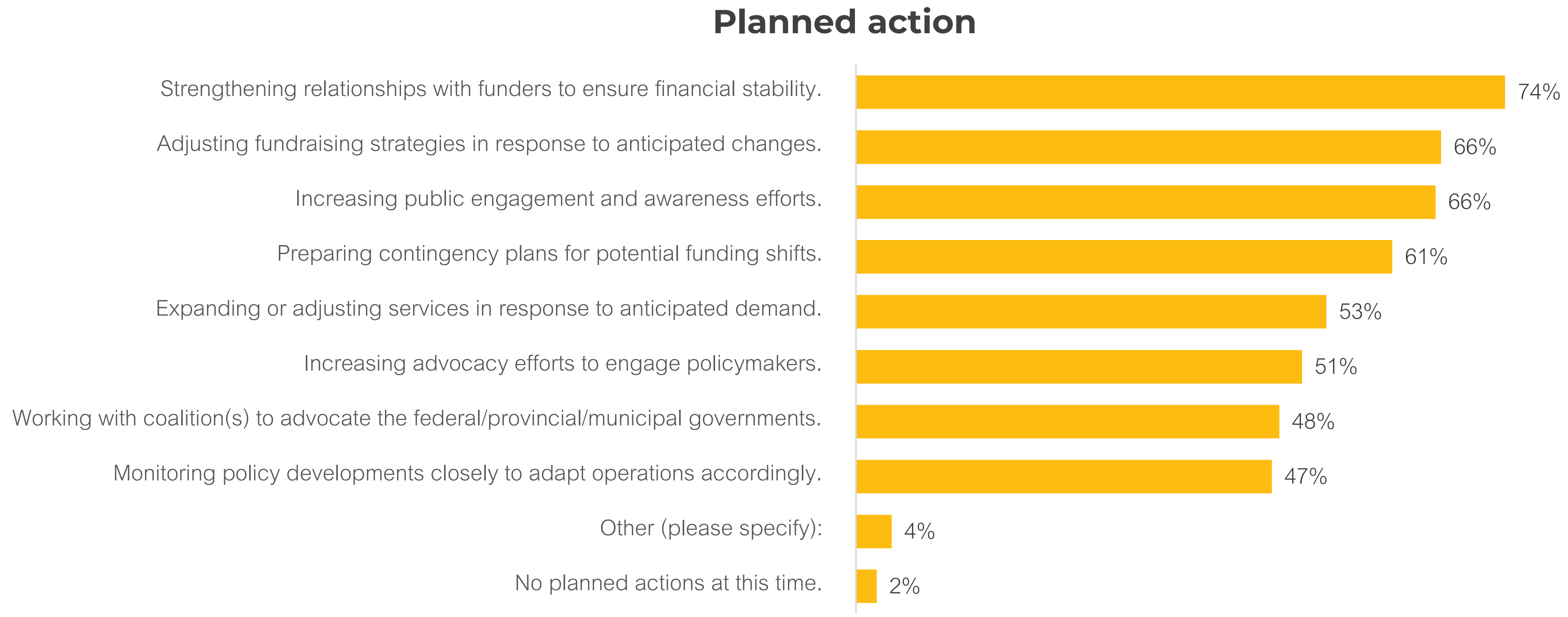
Q10 *In the past year, a number of events have occurred that may have affected various aspects (mission, governance, staff, programming, revenue, and expenses) of your organization's operations. Have any of the following events had an impact on your organization's [category]?*

Impact on:	Mission	Governance	Staff	Programming	Revenue	Expenses
Economic downturn.	35%	31%	57%	54%	69%	62%
Backlash / decline in commitments to DEI initiatives.	15%	12%	26%	21%	16%	9%
Rise in facism, extremism, populism, far-right movements.	13%	7%	20%	14%	11%	6%
Changes to Canadian immigration laws and policies.	13%	6%	21%	18%	12%	11%
Rise in polarization and hate crimes.	12%	8%	23%	17%	8%	8%
Technological and digital advancements (e.g., Generative AI adoption).	11%	14%	28%	23%	14%	21%
Political instability outside of Canada.	11%	7%	24%	13%	15%	12%
Deterioration of the Canada-U.S. relationship.	8%	7%	18%	11%	16%	18%
Climate change related events.	8%	5%	12%	10%	5%	6%
Changes to provincial safe consumption sites laws and policies.	7%	6%	10%	9%	4%	4%
None of the above	52%	58%	30%	29%	22%	27%

Planned Action | **Operations**

Organizations affected by at least one event (listed on previous slide) intend to strengthen funding relationships (74%), increase public engagement (66%), and adjust fundraising strategies (66%).

Q11NEW. Given the significant events, what actions is your organization planning to take?



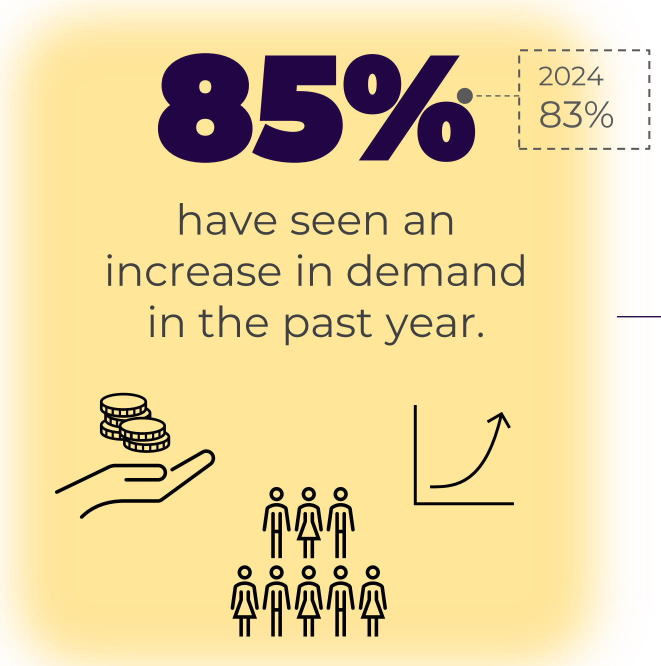
*Base: Organizations who have been impacted by at least one of the events listed.

Demand Increases | **Operations**

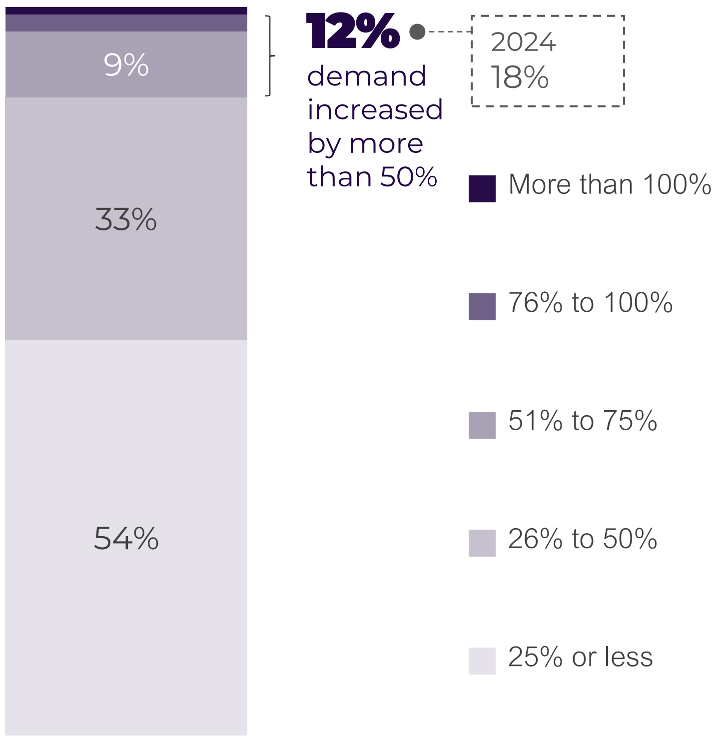
Most organizations (85%) continue to see a rise in demand for programs and services, to varying degrees. Just over one in five organizations say they are unable to meet demand (22%).

Q14 Has your organization seen an increase in demand for programs and services between April 1, 2024 - March 31, 2025?
Q15 [IF YES] Please estimate the per centage of increased demand for your programs and services compared to the previous fiscal year.
Q16 How well is your organization meeting the demand for your programs and services?

Increase in demand

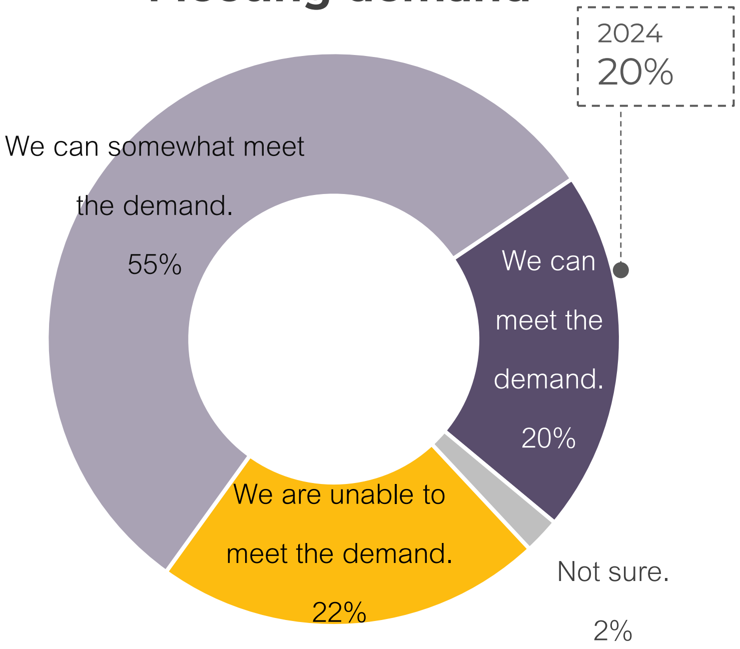


% Increase in demand*



*Base: Organizations who have seen an increase in demand (n = 396).

Meeting demand



For-Profit Providers | **Operations**

One-quarter have seen an increased number of for-profit providers in their subsector between April 2024 and March 2025. A small portion have lost contracts to a for-profit provider, seven per cent as recent as within the last year.

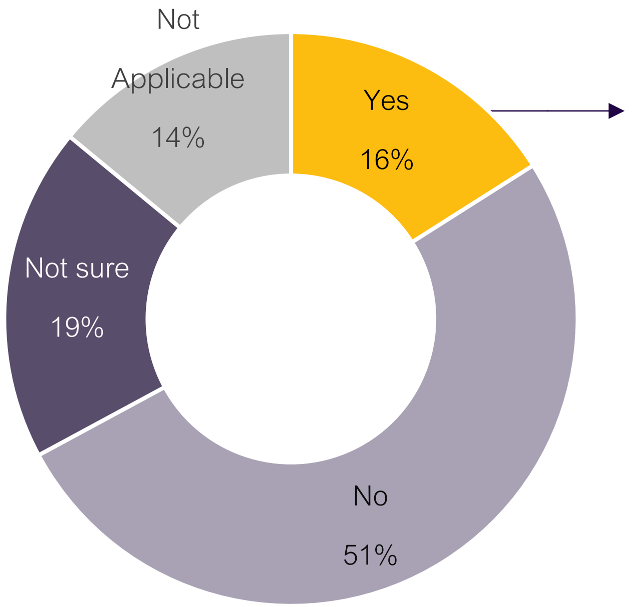
Q12NEW. Have for-profit actors increased in number (including increasing from 0) in your subsector between April 1, 2024 - March 31, 2025?
Q13NEW. Has your organization lost contracts to a for-profit provider…?

For-profit providers

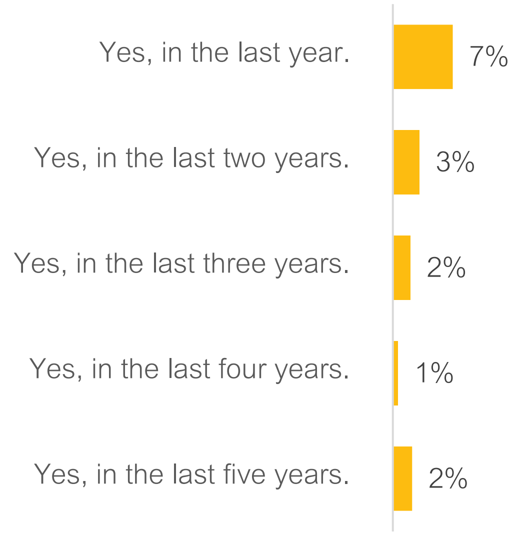
24%

have seen an increased number of for-profit providers in their subsector between April 2024 – March 2025.

% Lost contracts



Timing of lost contracts



FINANCES

Key Insights
Finances

- With three in ten organizations reporting declining revenues (31%), it is notable that nearly one in four (23%) say they only have enough revenue to sustain themselves for six months or less.
- Organizations report that revenue sources have remained stable, with around one-quarter to one-third indicating no significant change across most funding streams. While some noted increases in certain areas, just as many or more experienced declines in those same streams.
- Most (83%) organizations have seen their expenses increase across the board over the past year, mainly in salaries and benefits, programs and services, and general administrative costs.
- One in four (25%) organizations expect their finances to worsen over the next year, while a small portion (15%) do expect improvement. Half expect their financial situation to remain the same, aligning with other signs of tentative stability across the sector.

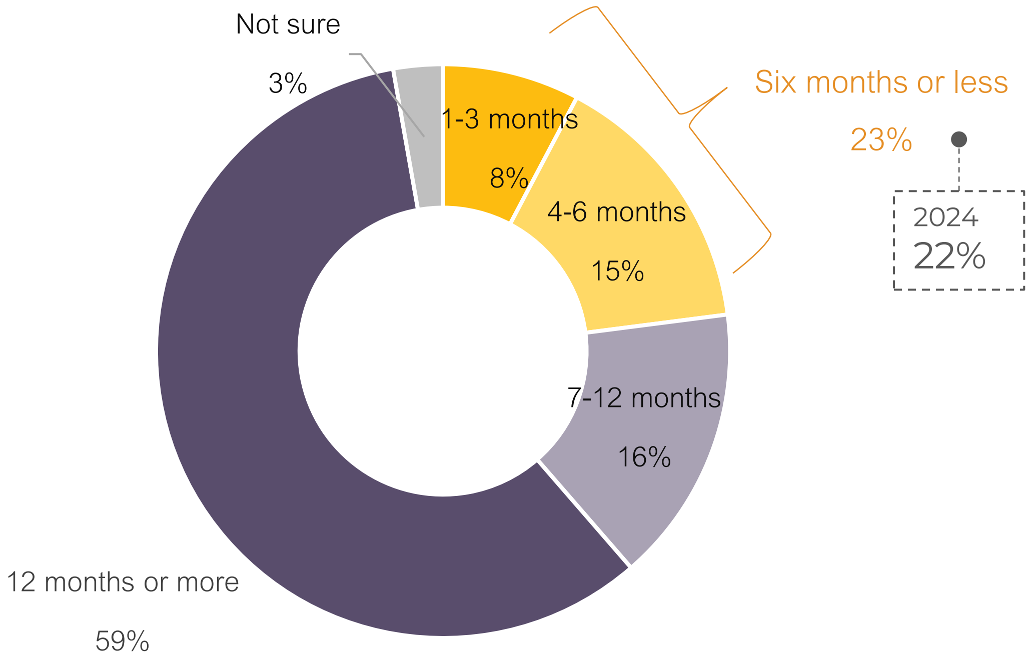
While revenues have held mostly stable, financial strain continues to grow and some are bracing for hard times ahead. For many, though, the outlook feels less like a crisis and more like holding steady under pressure.

Financial Forecast | **Finances**

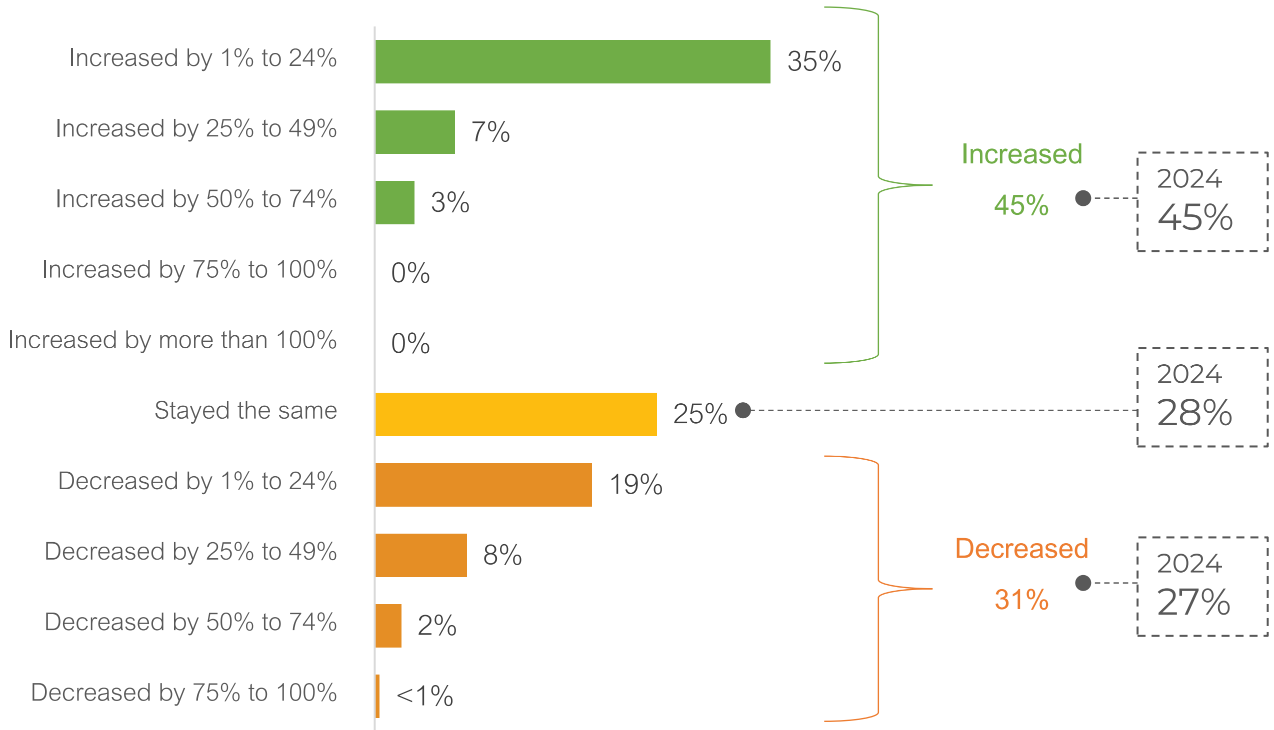
Almost six in ten organizations (59%) say they are sustainable for a year or more, although nearly one-quarter (23%) say they can sustain for six months or less. Three in ten have experienced declining revenues (31%).

Q17 What is your current financial forecast? We are able to sustain our organization for...
Q18 How has your revenue changed between April 1, 2024 - March 31, 2025?

Financial forecast



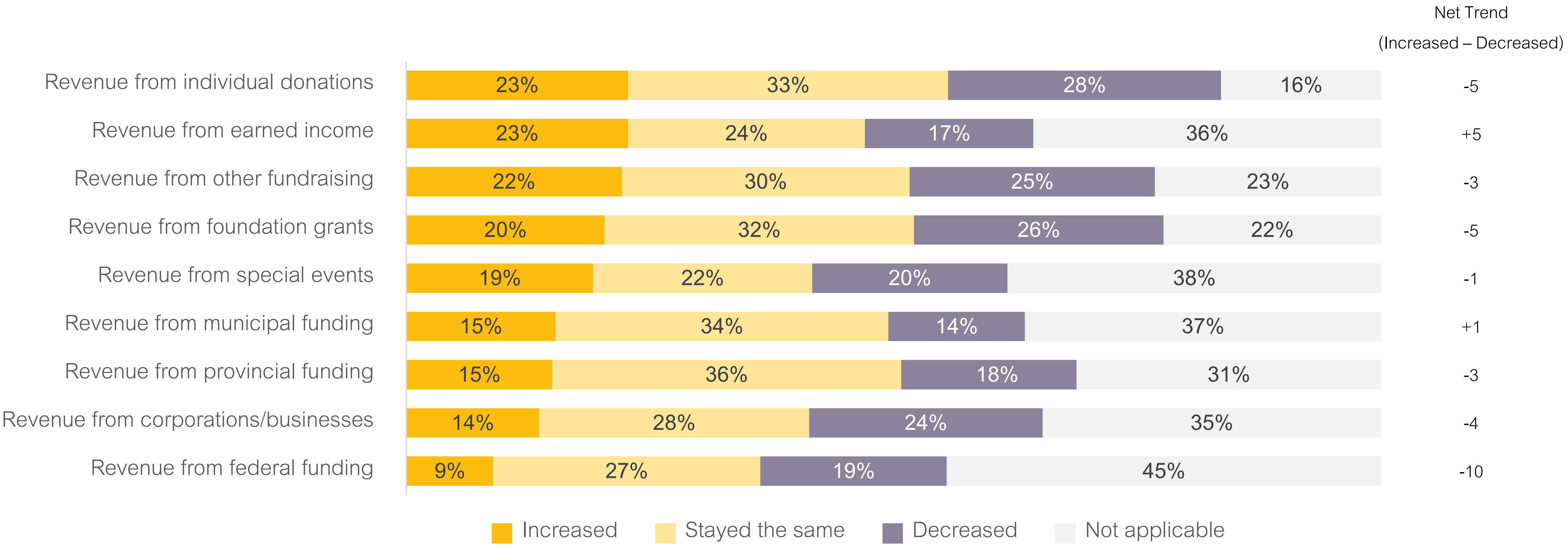
Change in revenue



Revenue Trends | **Finances**

Respondents report revenues remaining stable, with “stayed the same” being the most common response for nearly every category. Beyond this, revenue streams appear to be decreasing more often than increasing.

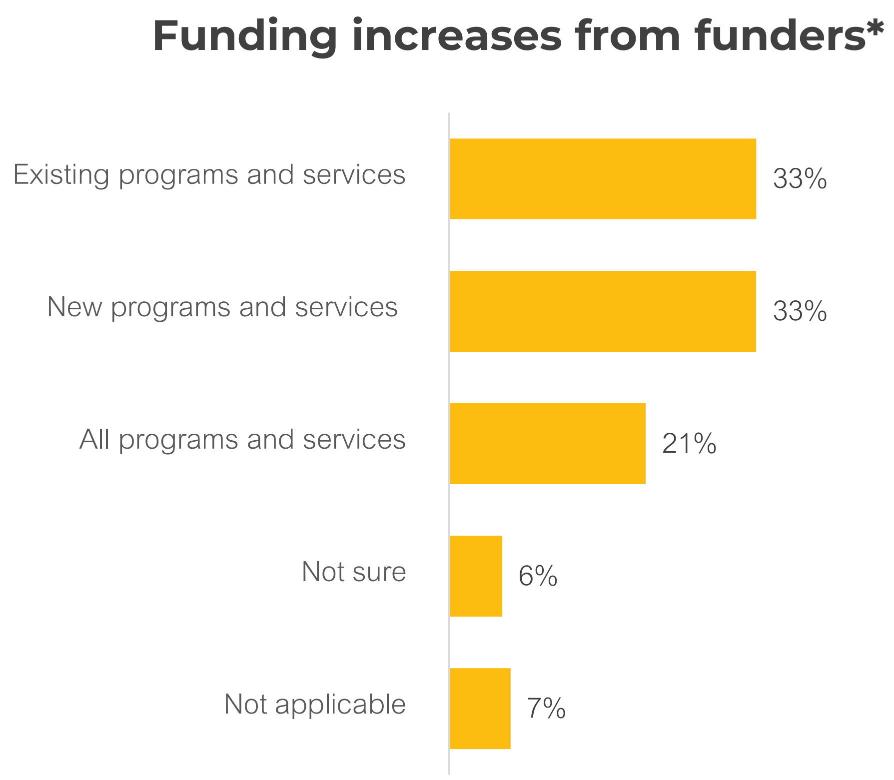
Q19 What trends are you seeing in your actual revenues?



Funding Increases | **Finances**

For those who experienced an increase in funding from external sources (e.g., foundations, corporations, or governments) additional funds were allocated to both existing initiatives and new programs and services.

Q19A Did you see an increase in funding from funders (foundation grants, corporations/businesses, municipal/provincial/federal governments) for:

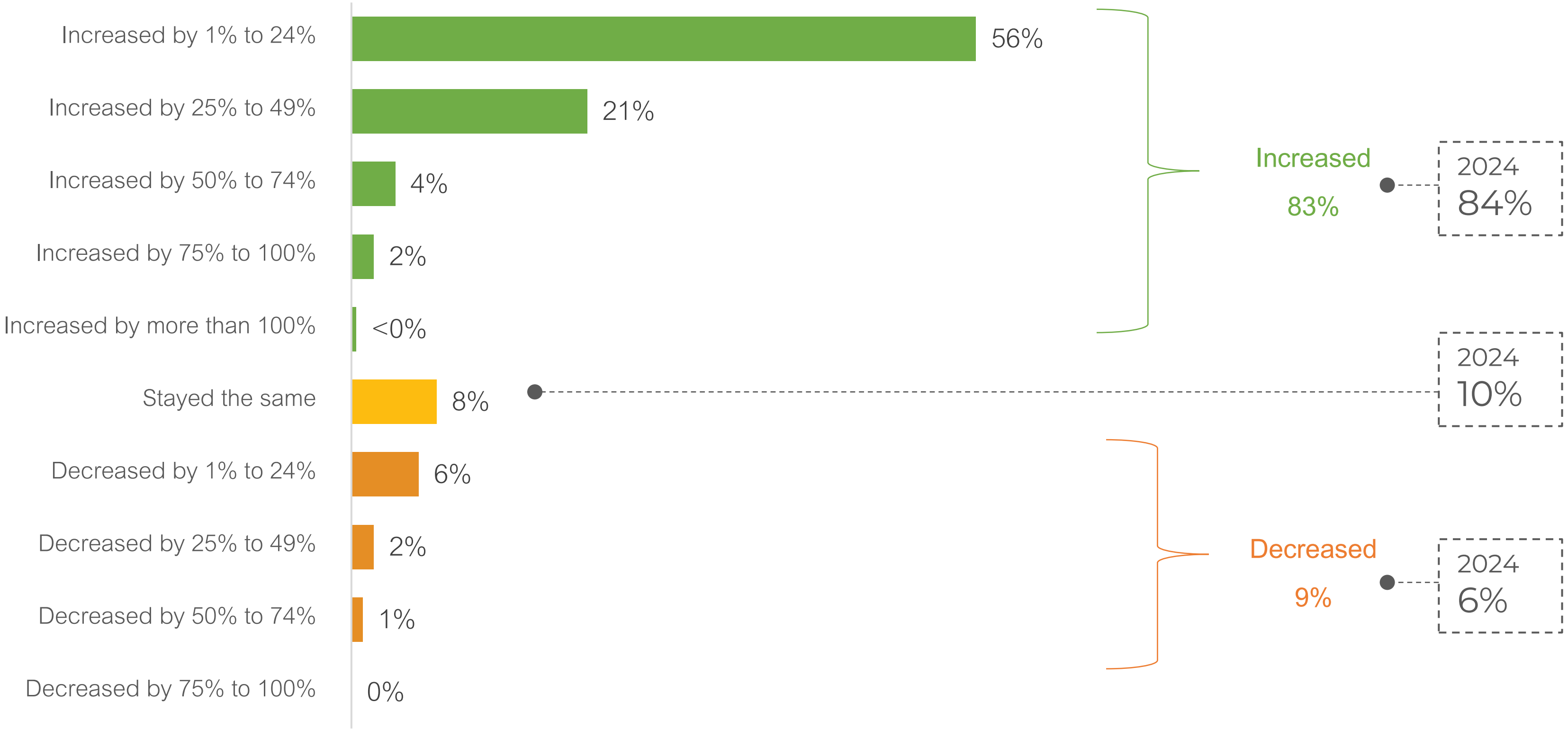


*Base: Organizations who have seen an increase from funders (n = 219).

Expenses | **Finances**

Most organizations (83%) have seen their expenses increase in the past year.

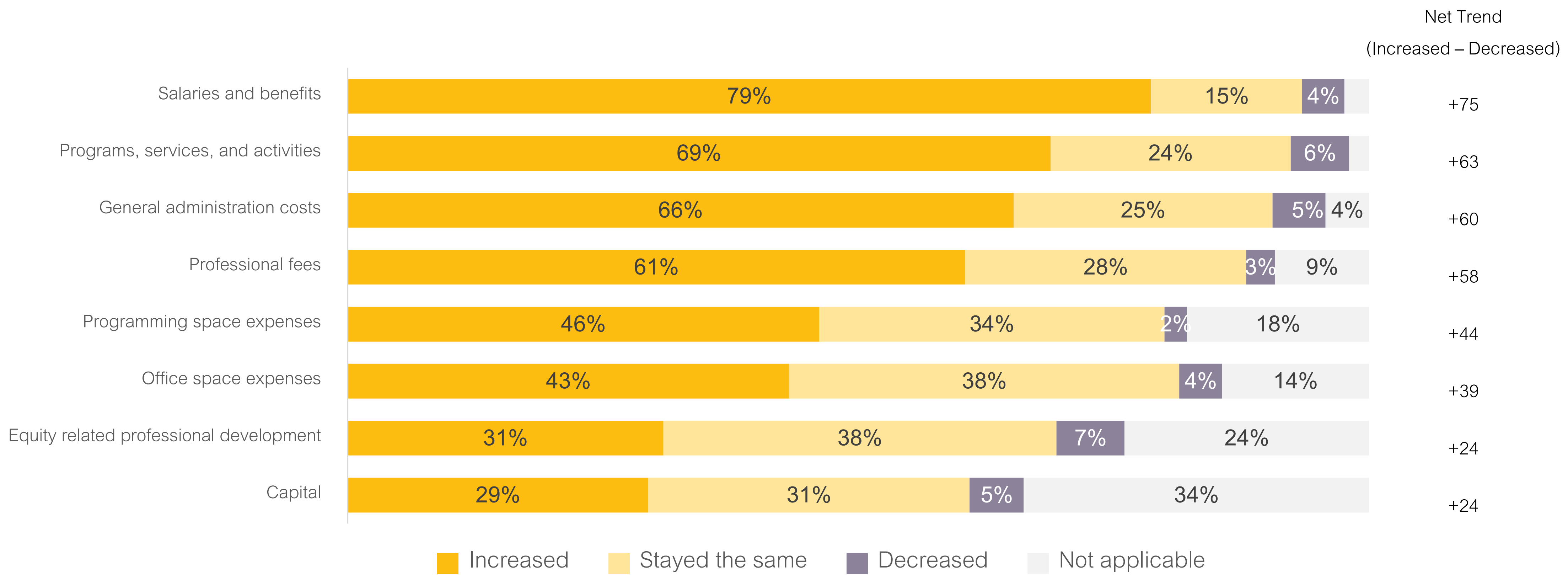
Q20 Have your expenses changed between April 1, 2024 - March 31, 2025?



Expense Trends | **Finances**

Most organizations note increases in expenses related to salaries and benefits (79%), program delivery (69%), general administration costs (66%), and professional fees (61%). Decreases in any category are rarely noted.

Q21 What trends are you seeing in your actual expenses?

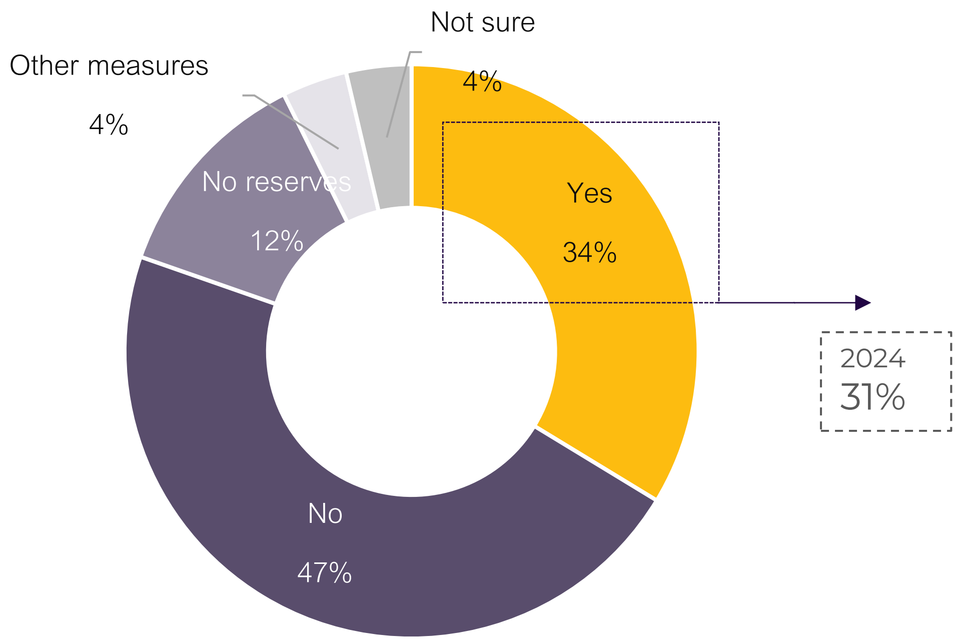


Reserve Funds | **Finances**

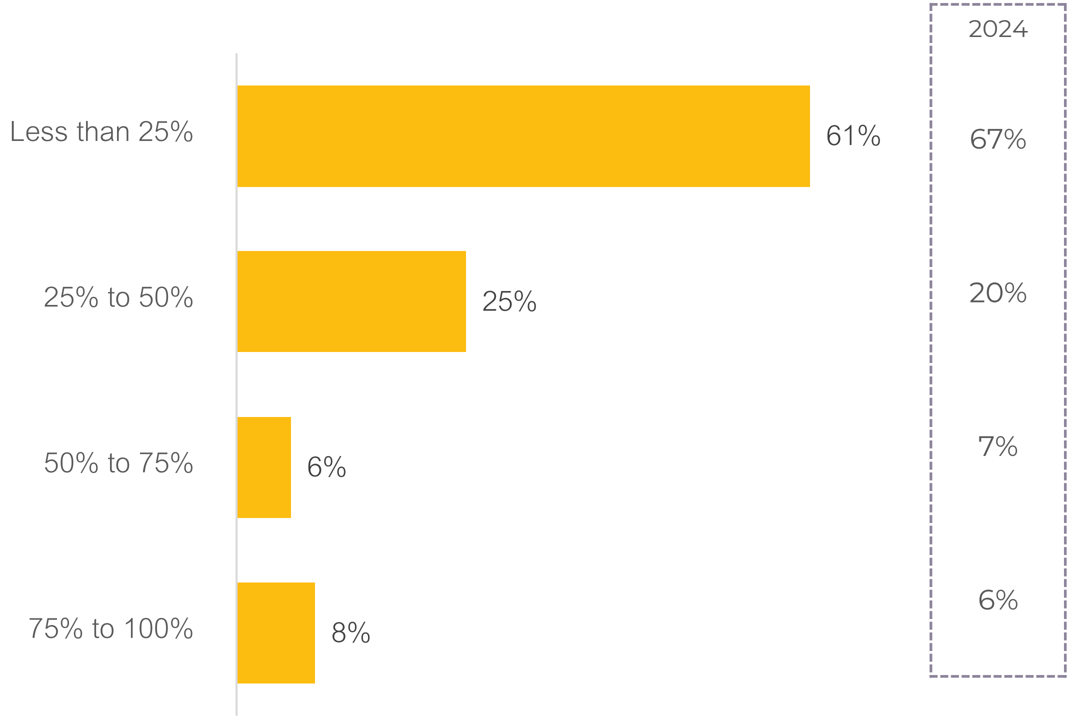
Over one-third (34%) of organizations have accessed their reserve funds in the past year, usually accessing less than 25% of those funds.

Q22 Has your organization had to access its reserve fund between April 1, 2024 - March 31, 2025?
Q23 If yes, can you estimate how much of your reserve fund has your organization had to access between April 1, 2024 - March 31, 2025?

Accessed reserve funds



How much reserve fund accessed*



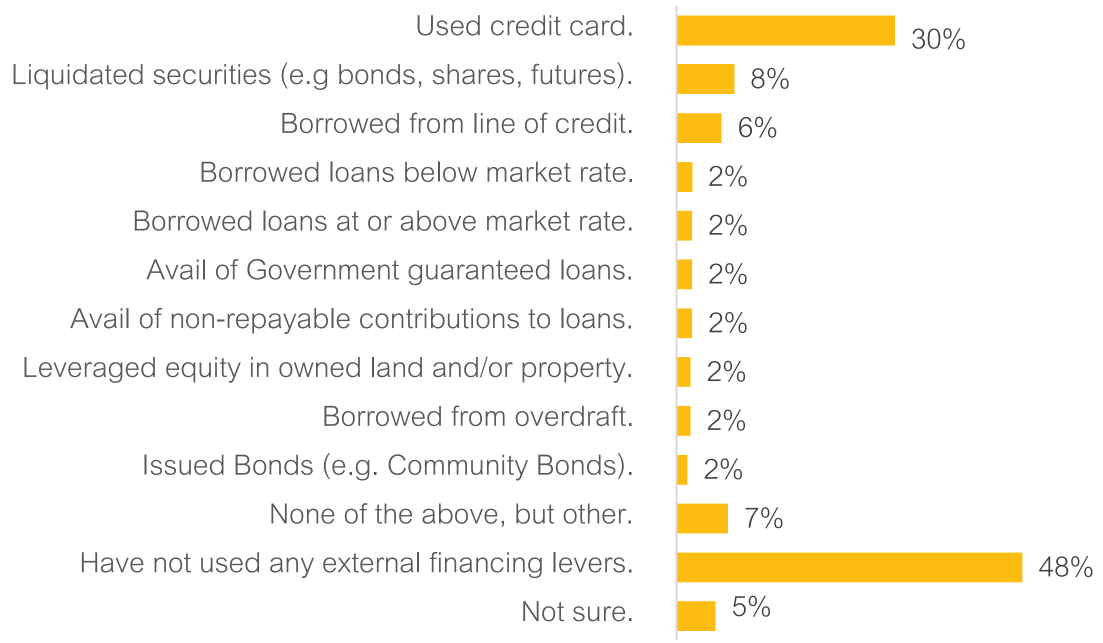
*Base: Organizations who have accessed reserve fund in past year (n = 155).

External Financing | **Finances**

Many organizations report using external financing levers within the past year, the most widely used being credit cards (30%).

Q23A Have you used any of the following external financing levers between April 1, 2024 - March 31, 2025?

Use of external funding levers

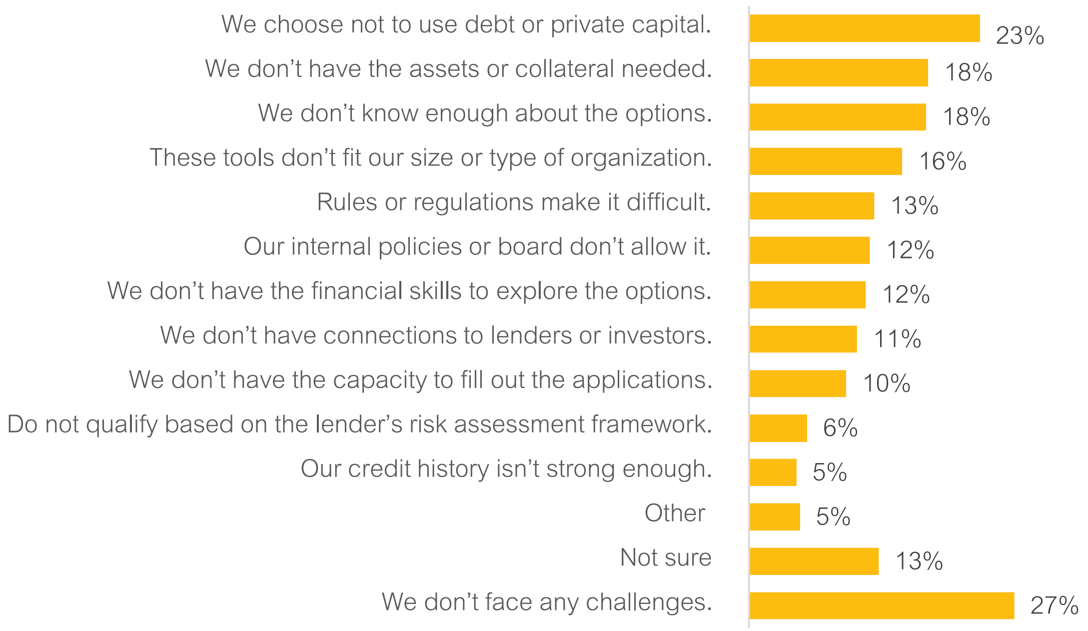


Barriers to External Funding | **Finances**

Some organizations report challenges accessing financing, including avoiding debt or private capital (23%), lacking assets or collateral (18%), and limited awareness of available options (18%). Just over one in four say they face no barriers.

Q23B What barriers, if any, limit your organization's access to and use of the financial levers listed above?

Barriers to use of external funding levers

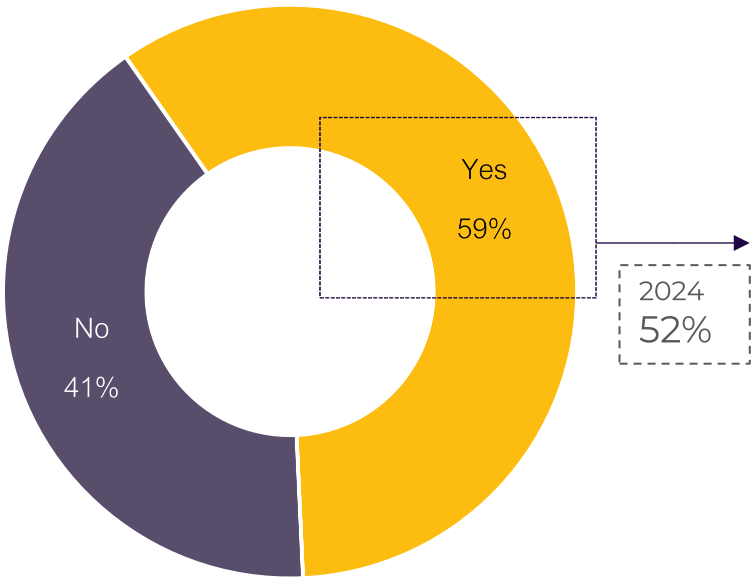


Ontario Government Funding | **Finances**

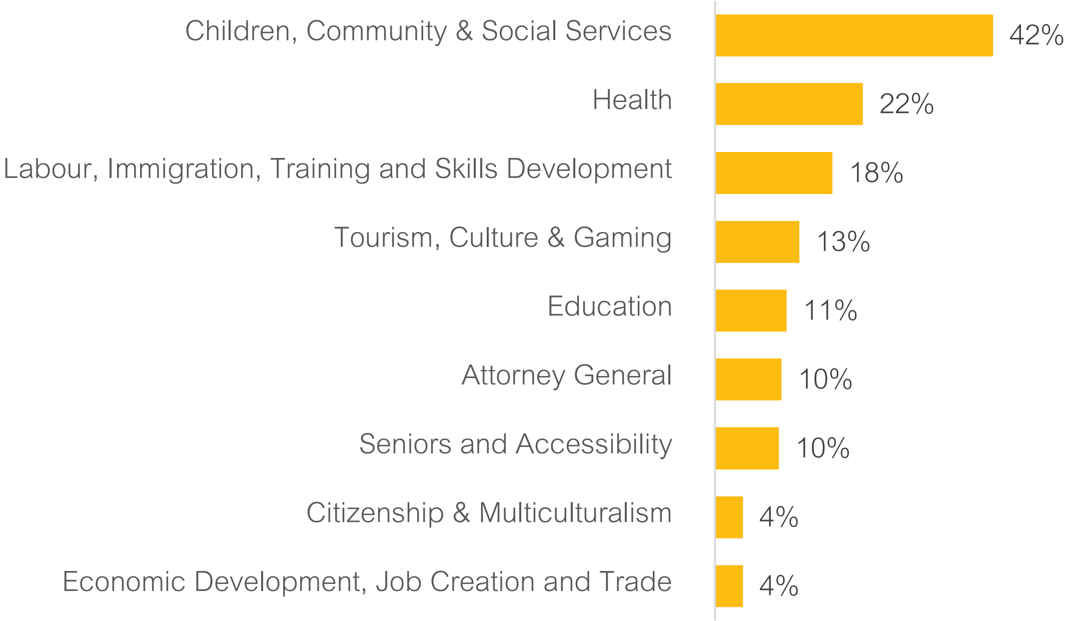
A majority (59%) of organizations receive funding from the Ontario government, most often from the ministries of Children, Community & Social Services (42%) or Health (22%).

Q24 Do you receive funding from the Ontario provincial government?
Q25 If yes, which ministry?

Receive funding from Ontario government



Ontario ministries providing funding*



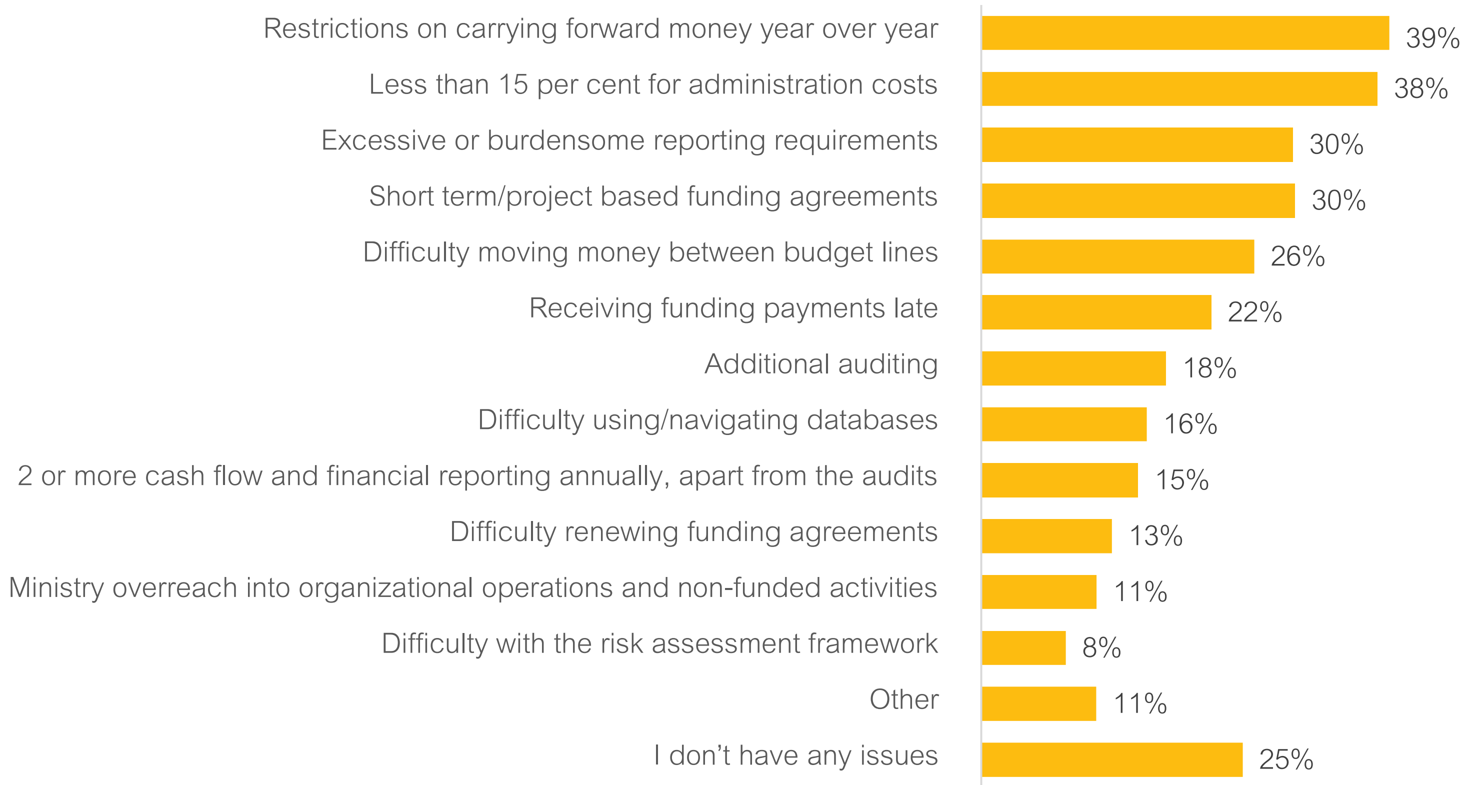
*Base: Organizations who received funding from Ontario government (n = 261).

Note: Only ministries with >3% are shown.

Provincial Funding Issues | **Finances**

Organizations who receive provincial funding most often report issues with the restrictions on carrying forward money year-over-year (39%) and the limit on administration costs (38%).

Q26 Does your organization have any of the following issues with their provincial transfer payment agreements?



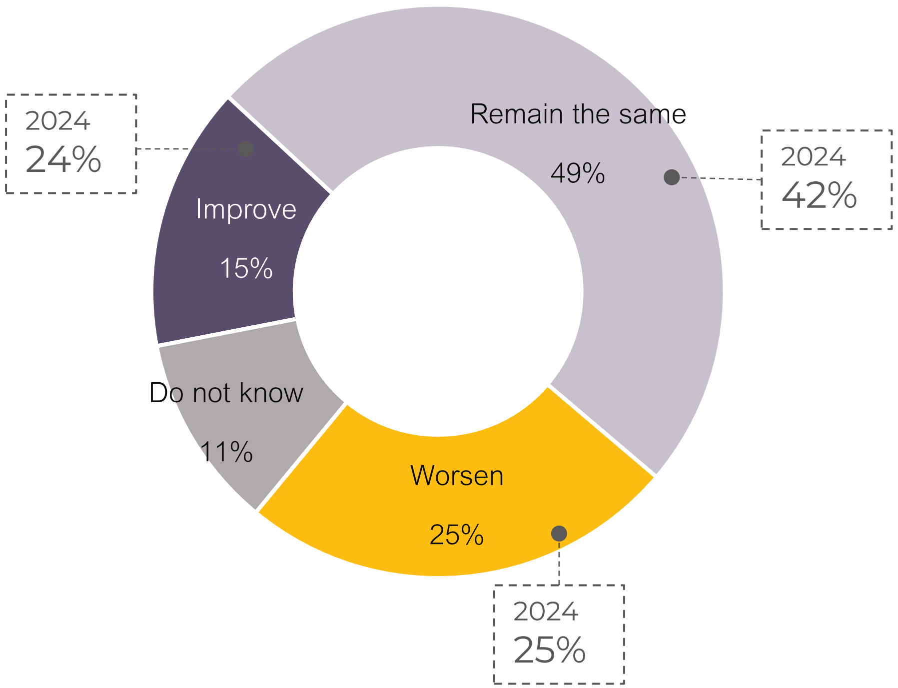
*Base: Organizations who receive funding from Ontario government (n = 268).

Financial Situation | **Finances**

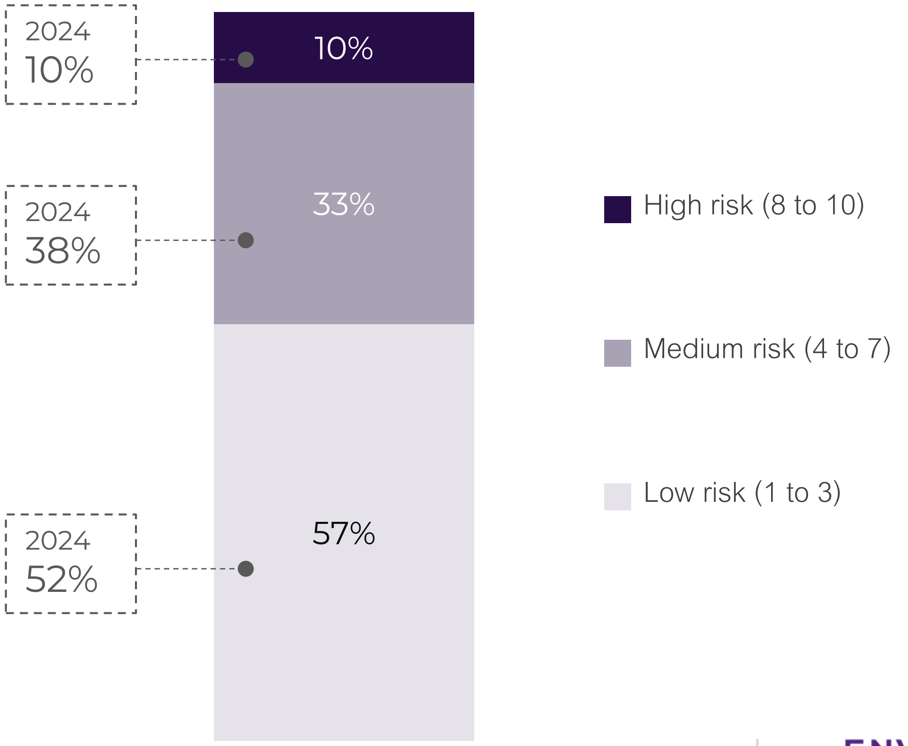
While challenges ensue, around two-thirds of organizations expect their financial situation to stay the same (49%) or improve (15%) in the short-term. Just one in ten (10%) feel they are at a high risk of not existing in the next three years.

Q27 In the next 6-12 months, do you expect your organization's financial situation will...
T3 How would you describe your organization's risk of not existing in the next 3 years on a scale of 1 (low risk) to 10 (high risk)?

Financial forecast



Risk in next three years



STAFF AND VOLUNTEERS

Key Insights
Staff and Volunteers

- About half of organizations with paid staff say they have current vacancies (47%). Staffing challenges continue with just over half (52%) of staffed organizations saying they have trouble recruiting and retaining staff, often due to wage disparities or uncompetitive compensation relative to other sectors.

- To fill gaps in staffing, many organizations are combining roles (43%) or relying on volunteers (41%). To enhance recruitment, organizations are offering work-life balance through flexible work hours (59%) and remote options (57%), as well as higher salaries (49%). Key skills needs include fundraising and IT.

- While some organizations rely on volunteers to fill in staffing gaps, they also report challenges in recruiting and retaining volunteers (42%). Difficulties attracting new volunteers (61%), and a lack of dedicated resources for managing volunteer recruitment (46%) are the biggest problem areas.

- Just over six in ten organizations (62%) say they have scaled back their programs because of staffing and recruitment issues.

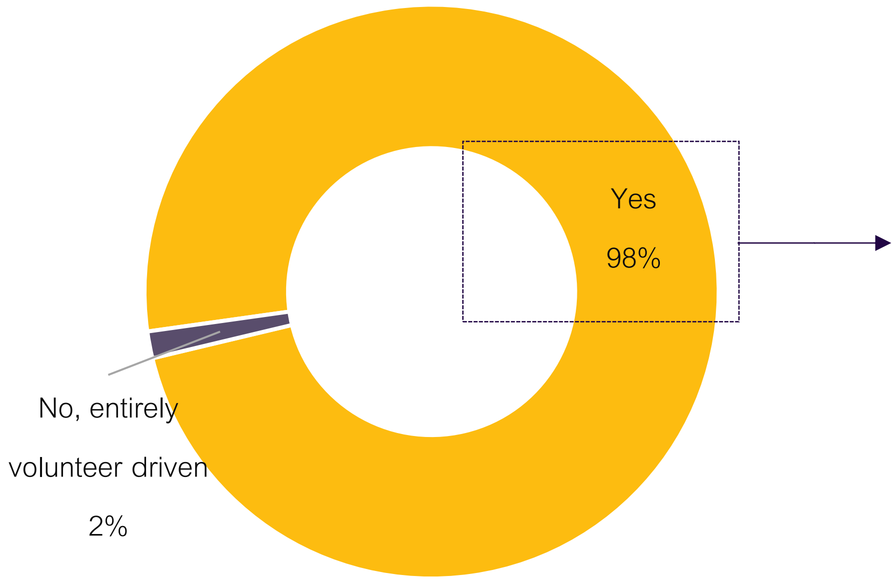
Staffing and recruitment continue to be significant pain points for nonprofits as many struggle to fill roles and retain employees to keep up with demand. Organizations adapt by offering more work-life balance, but ongoing challenges have caused some scaling back of programs.

Paid Staff | **Staff and Volunteers**

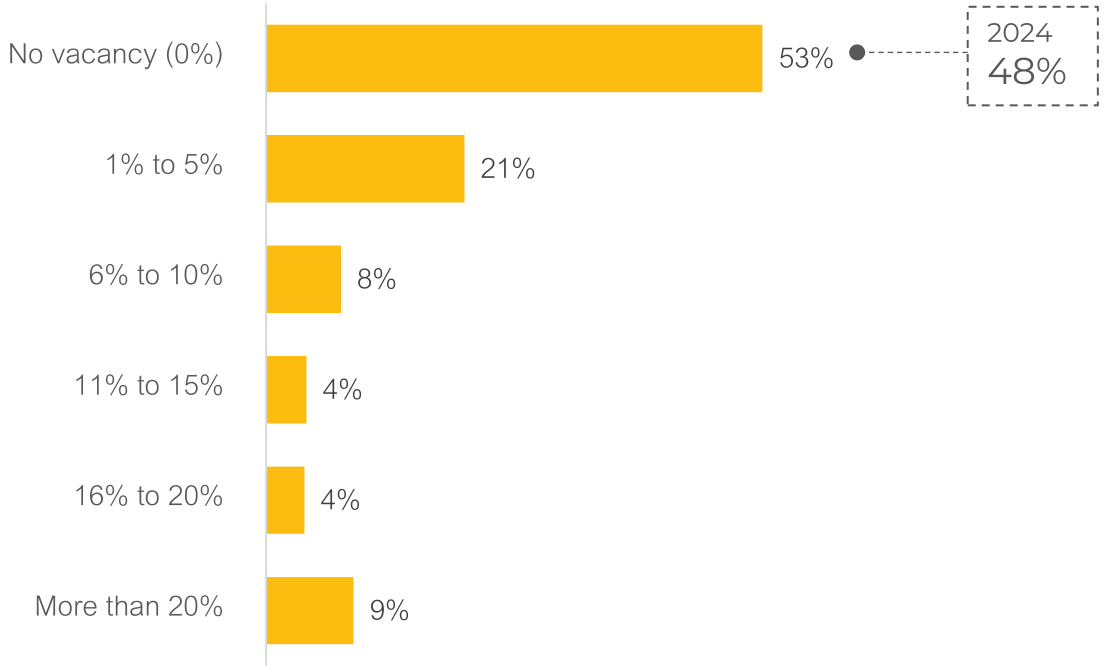
Almost all (98%) organizations who completed the survey have paid staff. Just under half of these organizations say they have positions to fill (47%).

Q28 Does your organization have paid staff?
Q29 What is your organization's current job vacancy rate?

Paid staff



Vacancy rate*



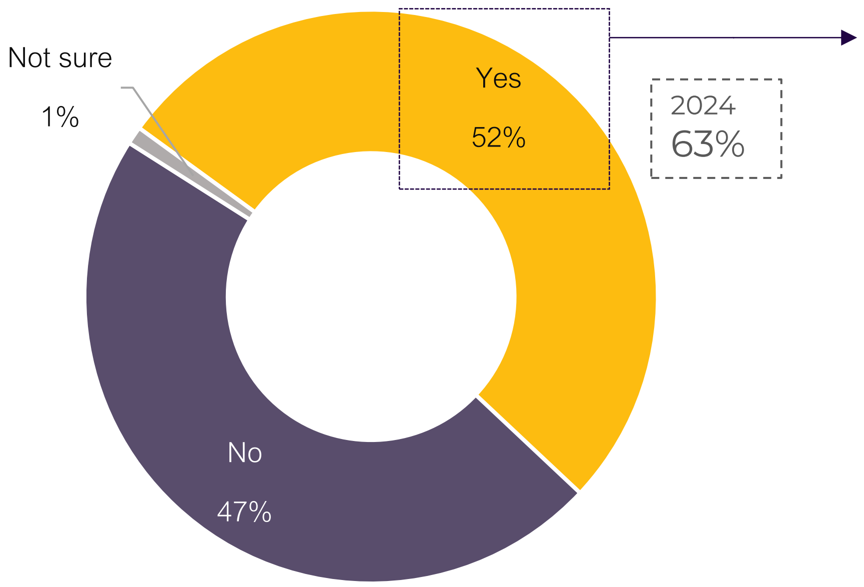
*Base: Organizations with paid staff (n = 439).

Staff Recruitment | **Staff and Volunteers**

Over half of organizations with paid staff (52%) say they have experienced challenges with recruitment or retention of staff, which they attribute to many factors including wage/compensation considerations (62%).

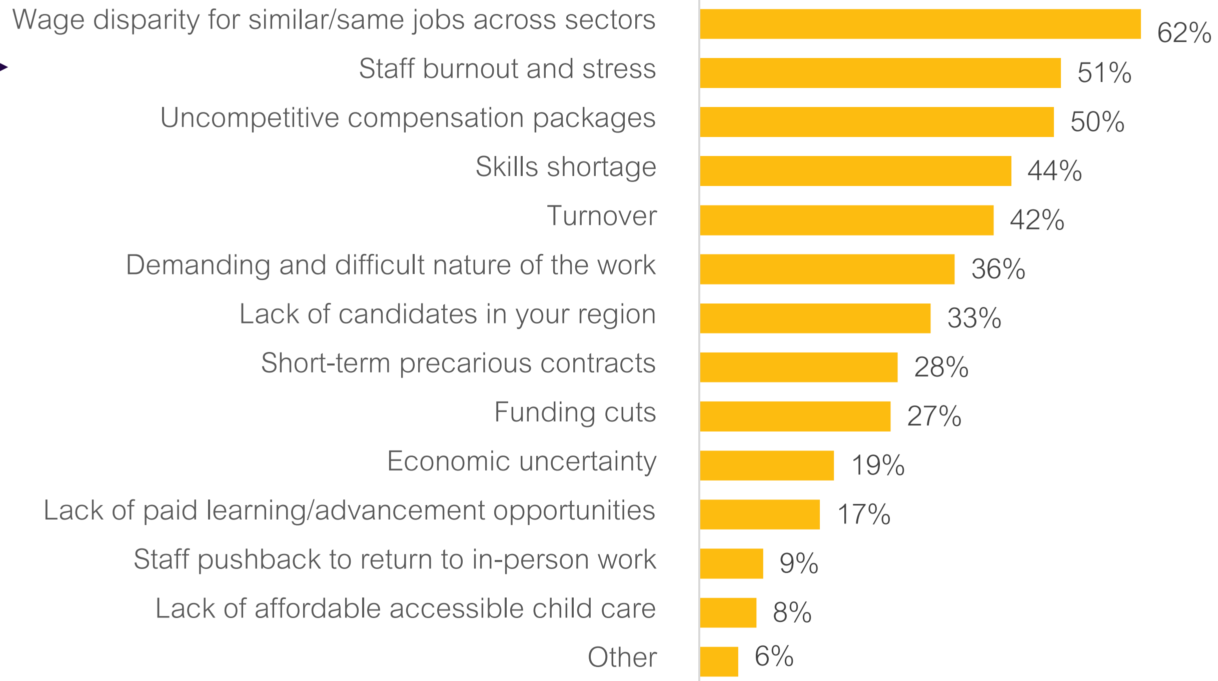
Q30 Did your organization experience challenges with recruitment and/or retention of paid staff between April 1, 2024 - March 31, 2025?
Q31 What factors affected your nonprofit's ability to recruit and/or retain staff?

Recruitment / retention challenges*



*Base: Organizations with paid staff (n = 453).

Factors affecting recruitment / retention*

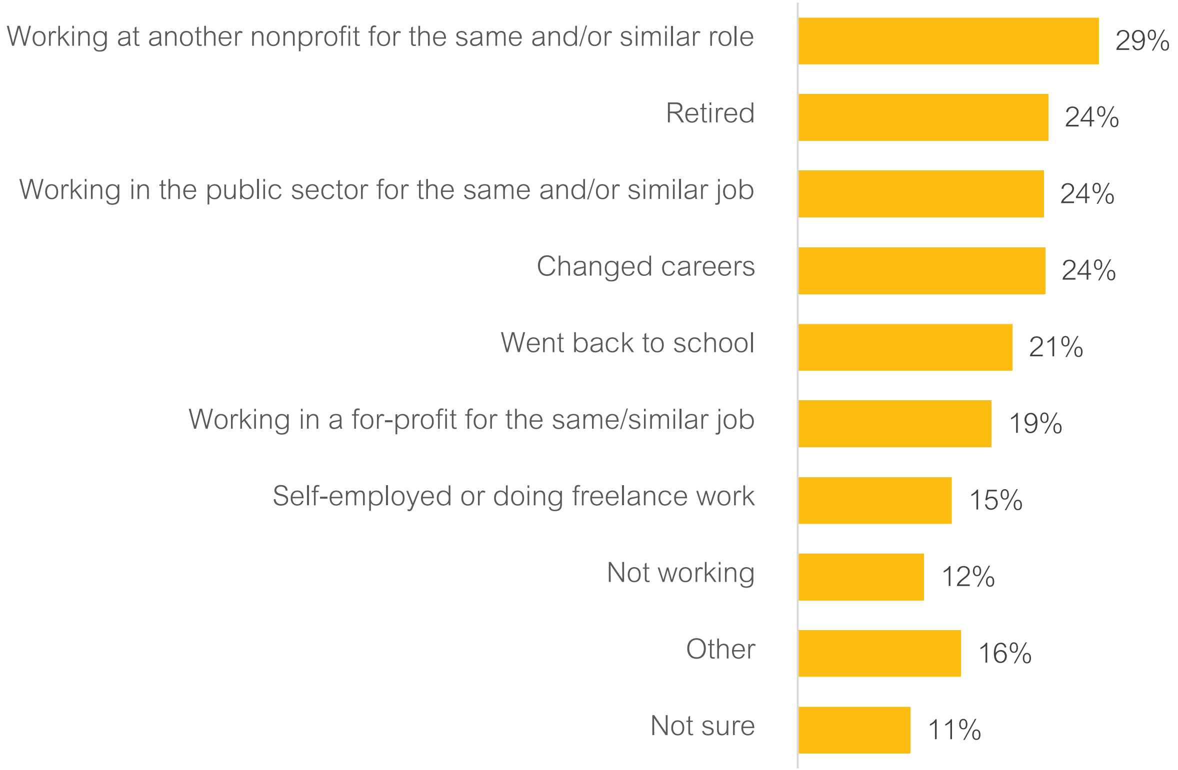


*Base: Organizations who experienced challenges with staff recruitment / retention (n = 236).

Staff Who Left in Past Year | **Staff and Volunteers**

When reflecting on staff departures over the past year, most were reported to have moved to similar roles in other nonprofits (29%), retired (24%), or working for the public sector (24%), or in another career (24%).

Q32 Thinking about team members who left your organization in the past year, what are they doing now?



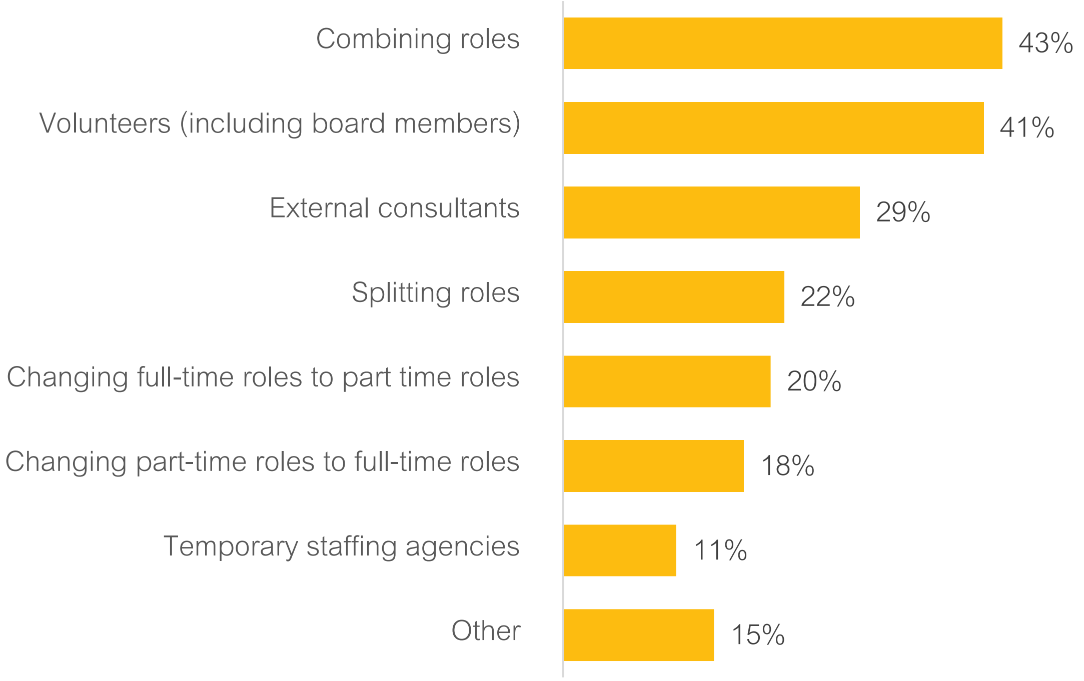
Base: Organizations with paid staff (n = 448).

Staffing Strategies | **Staff and Volunteers**

Just over four in ten organizations are combining roles (43%) and using volunteers (41%) to fill staffing gaps. Organizations are trying to recruit with flexible working hours (59%), remote work options (57%), and higher salaries (49%).

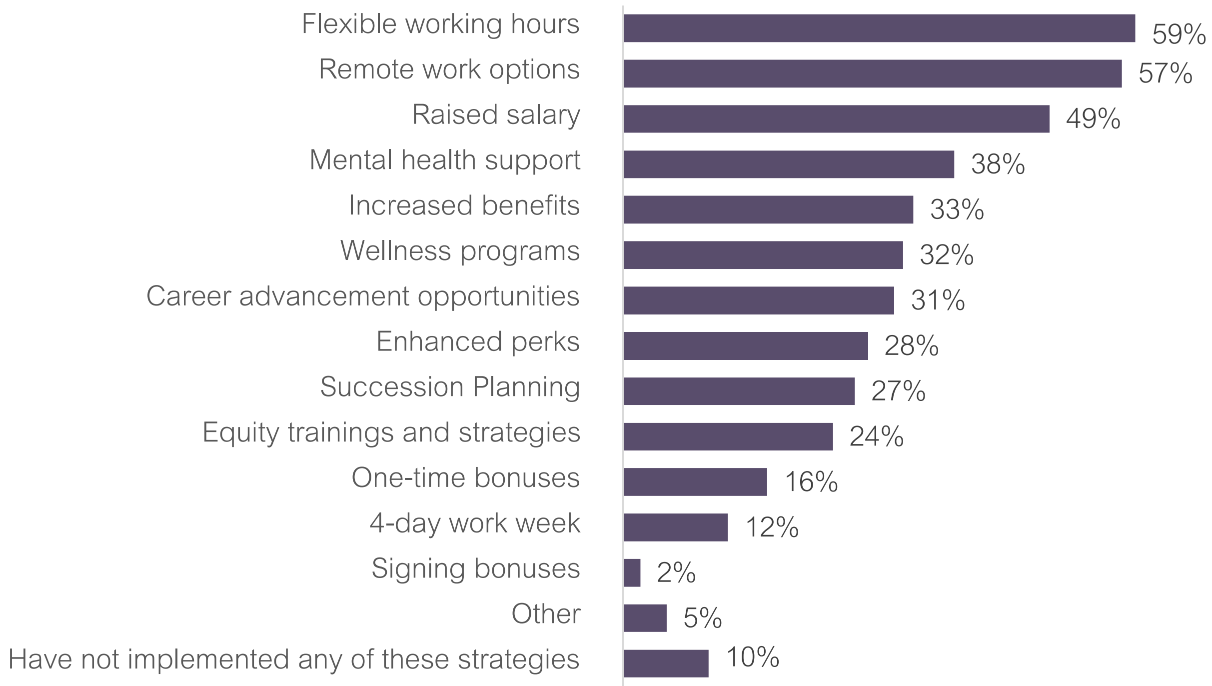
Q33 Is your organization currently using any of the following to fill staffing gaps?
Q34 Has your organization implemented any of the following strategies to recruit and retain staff?

Filling staffing gaps*



*Base: Organizations with paid staff (n = 379).

Strategies to recruit and retain

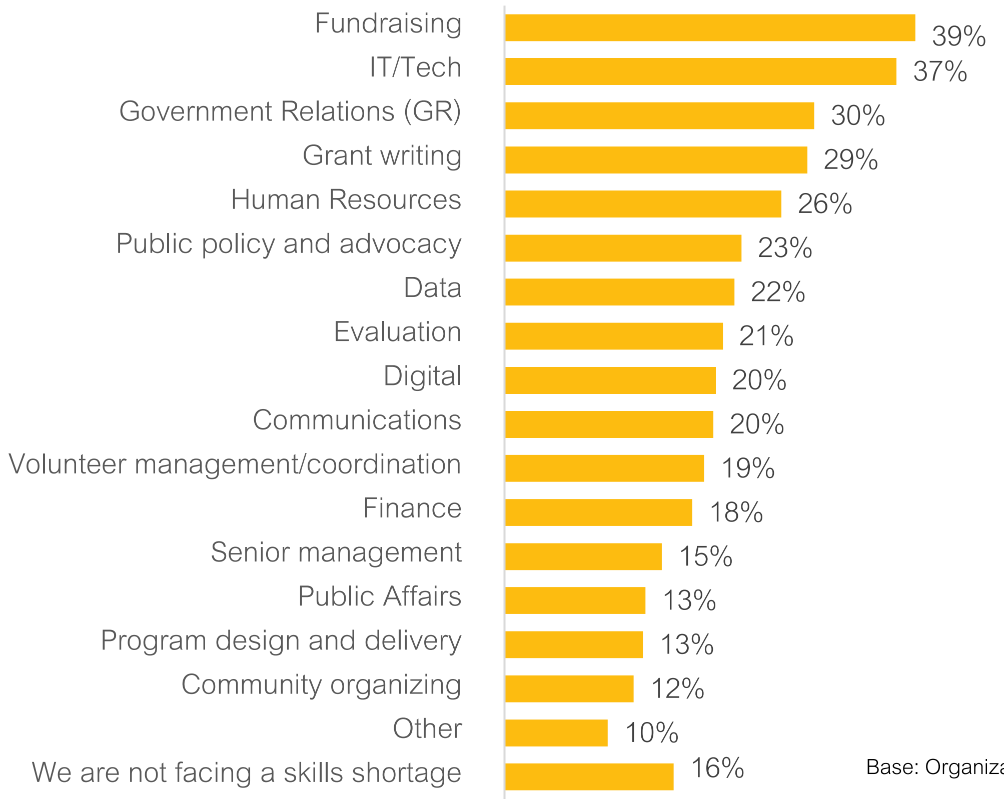


*Base: Organizations with paid staff (n = 449).

Skills in Demand | **Staff and Volunteers**

The skills currently most in demand among organizations are fundraising (39%) and IT or tech skills (37%). Other skills mentioned by at least one-quarter of organizations include government relations, grant writing, and human resources.

Q35 What specific skills are lacking in your organization's candidates/staff?



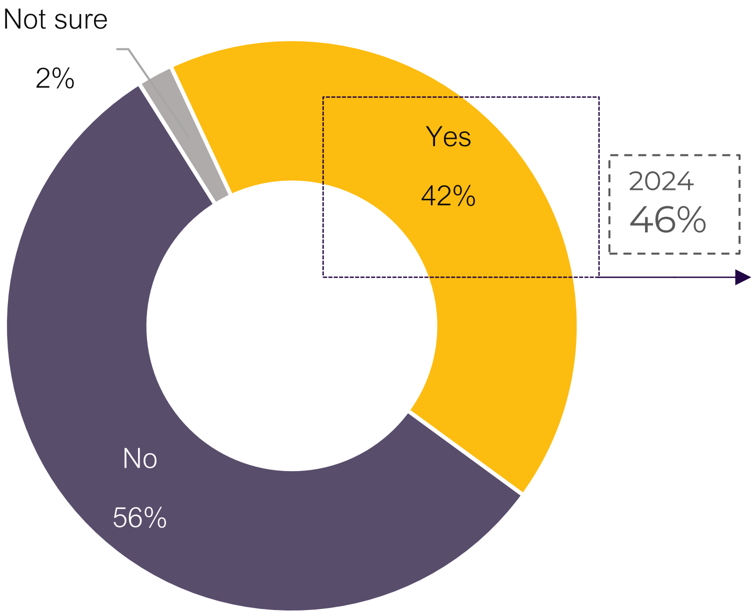
Base: Organizations with paid staff (n = 455).

Volunteer Recruitment | **Staff and Volunteers**

Four in ten organizations (42%) say they experienced challenges with volunteer recruitment or retention in the past year, mainly due to difficulty recruiting new volunteers and insufficient staff to focus on volunteer recruitment.

Q36 Did your organization experience challenges with recruitment and/or retention of volunteers between April 1, 2024 - March 31, 2025?
Q37 What factors affected your nonprofit's ability to recruit and/or retain volunteers?

Recruitment / retention challenges



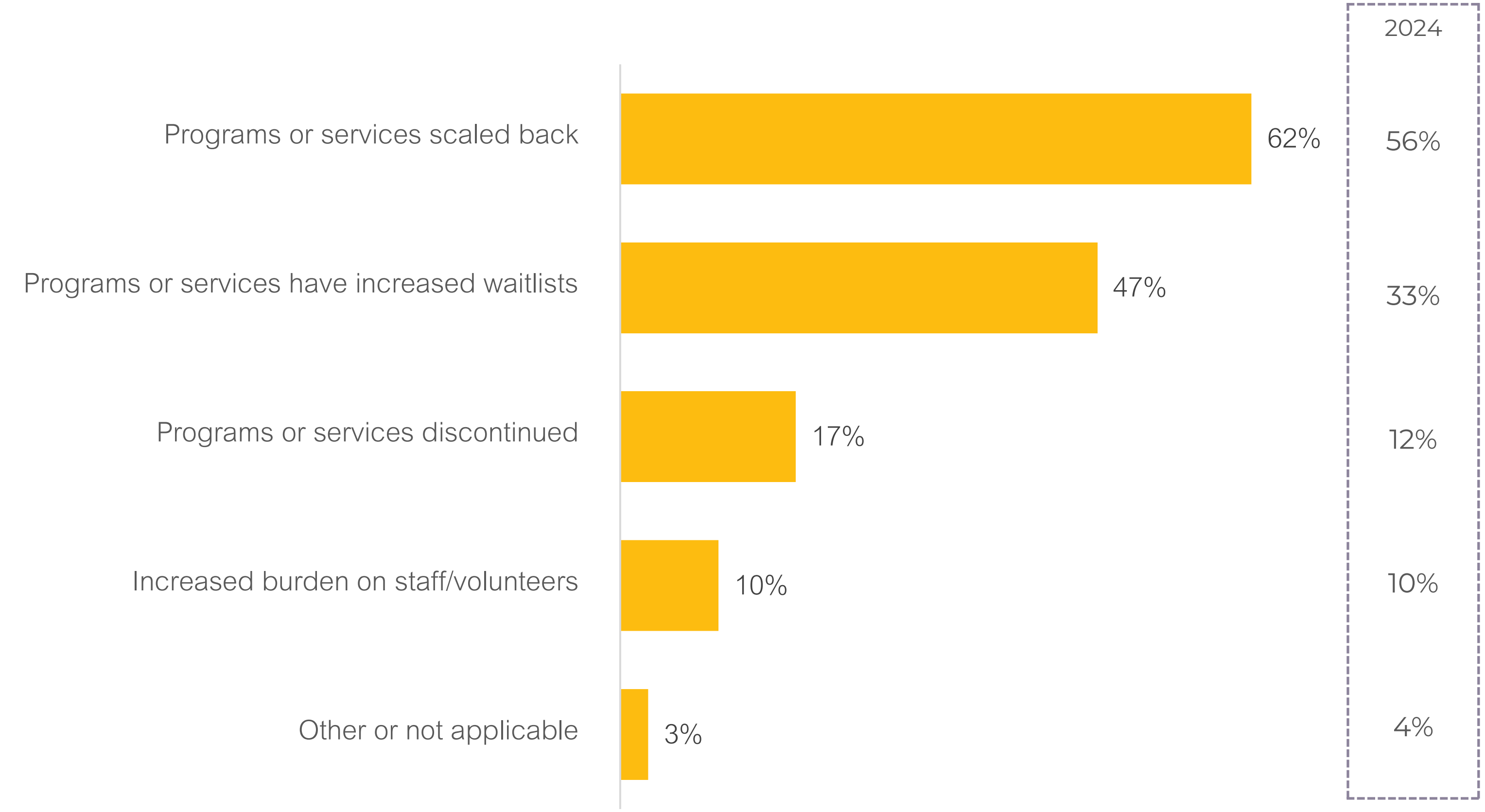
Factors affecting recruitment / retention*

*Base: Organizations who have experienced challenges with volunteer recruitment / retention (n = 189).

Impact of Staff and Volunteer Issues | **Staff and Volunteers**

Organizations experiencing volunteer recruitment and retention challenges report scaling back programs and increased waitlists.

Q38 How are staffing and/or volunteer challenges affecting your organization's mission or mandate?



Base: Organizations who have experienced challenges with staff and/or volunteer recruitment / retention (n = 145).

SECTOR ENGAGEMENT

Key Insights
Sector Engagement

- Ontario’s nonprofits play a key role in strengthening social ties and building connection in the community. The majority have strategies related to collecting community member input, building trust between different groups, and reducing social isolation.

- Advocacy is a core part of how organizations create value. They use a mix of government engagement, grassroots tactics, public policy development, and public awareness campaigns.

- There is a strong appetite to shape public policy, with six in ten saying it is important to deepen their involvement in these conversations.

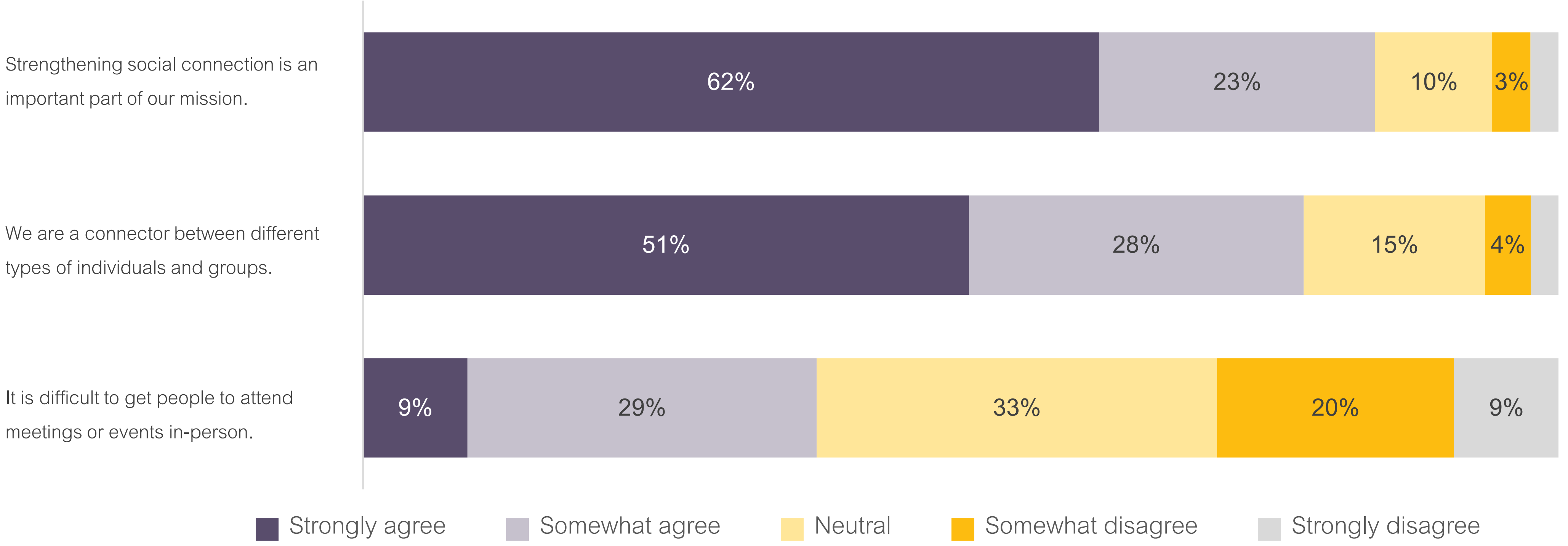
- Organizations bring value to their communities in a variety of ways from building social inclusion and advancing equity to providing essential services like education and skills development, poverty reduction, and health and wellness supports.

Nonprofits support communities by delivering services, strengthening connections, advocating for change, and creating spaces where people feel they belong. Their work helps communities stay strong, responsive, and connected.

Community Connections | **Sector Engagement**

Most organizations feel they contribute to strengthening social connections (85%) and act as community connectors within their communities (79%). About four in ten struggle to motivate people to attend in-person events.

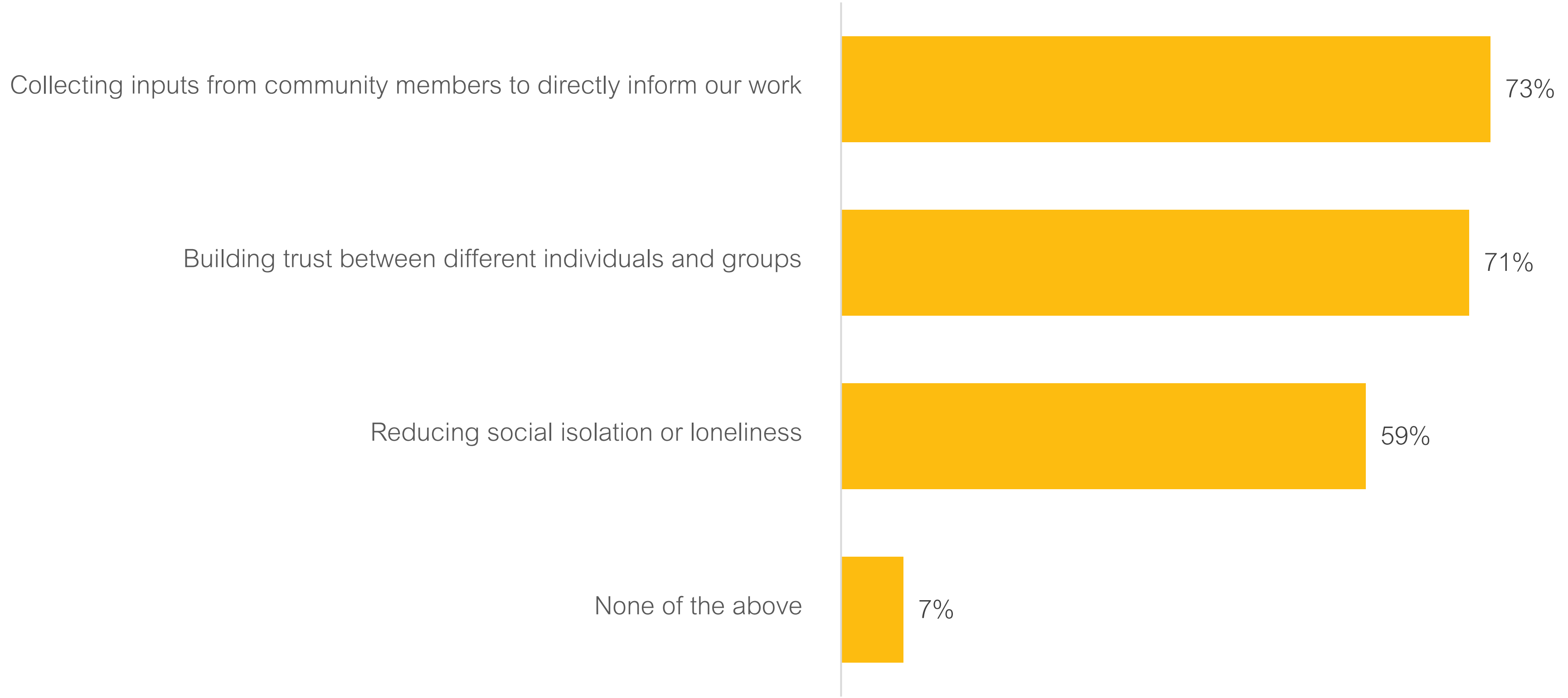
T4 To what extent do you agree or disagree with the following statements?



Organizational Strategy | **Sector Engagement**

The majority of organizations have strategies related to collecting community member input, building trust between different groups, and reducing loneliness.

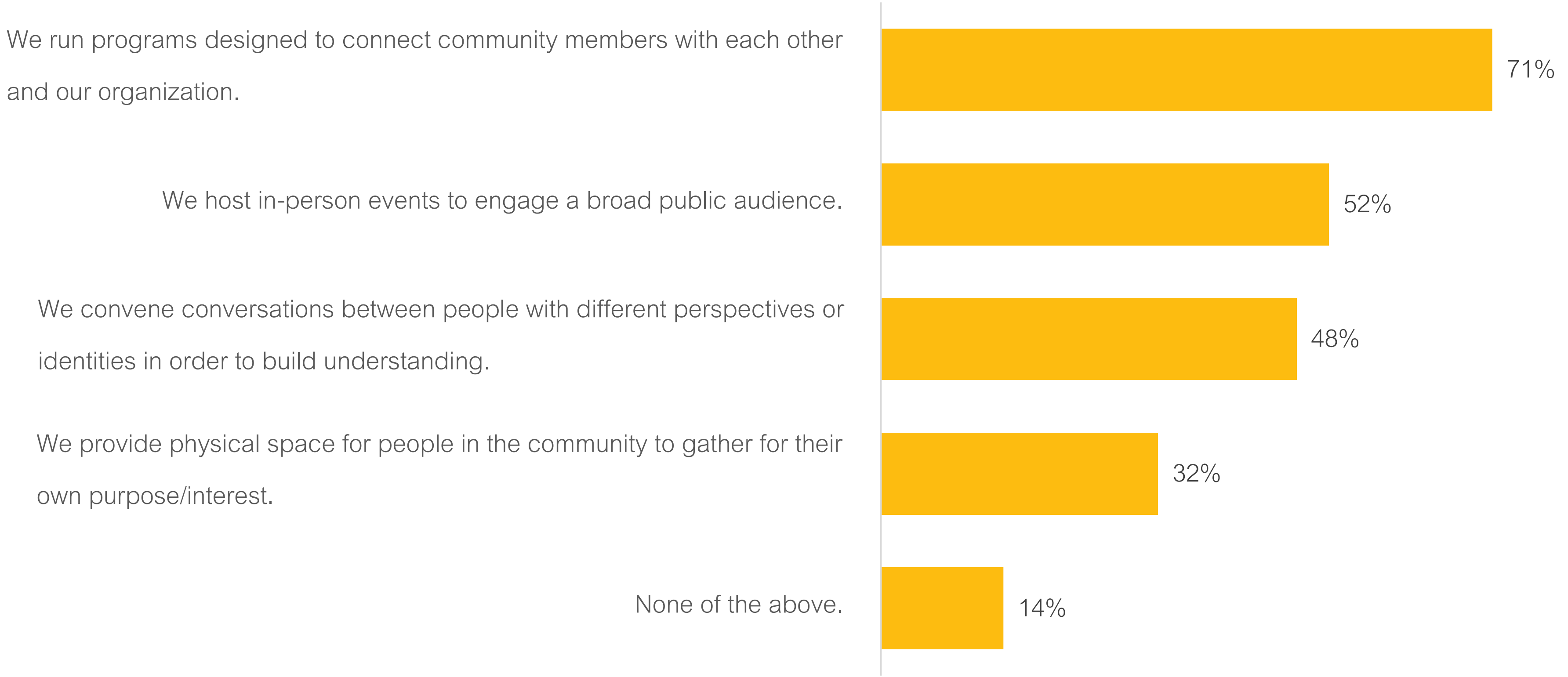
T5 Which of the following are either explicitly part of your organization's strategy or have a specific strategy built around them?



Community Engagement Activities | **Sector Engagement**

Organizations most commonly run programs that foster community connection, while fewer offer physical gathering spaces.

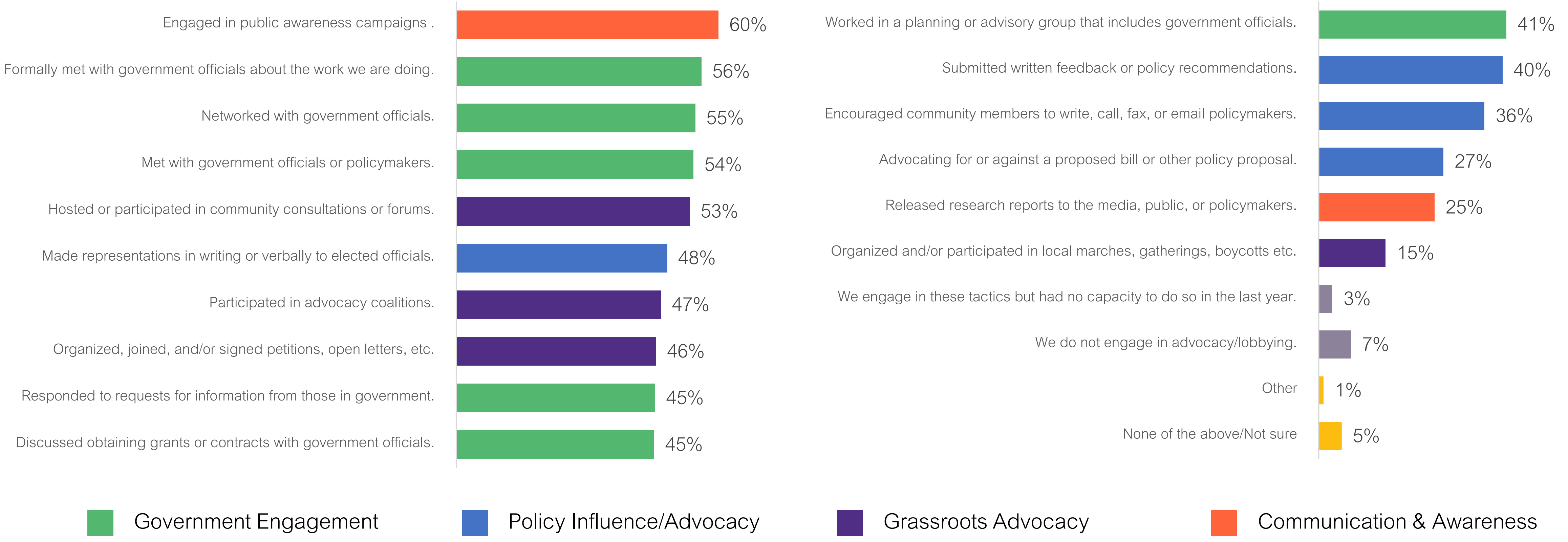
T6 Which of the following functions does your organization carry out?



Advocacy Tactics | **Sector Engagement**

Organizations use a wide variety of advocacy tactics, including government engagement, policy influence and advocacy, grassroots advocacy, and communication/awareness strategies.

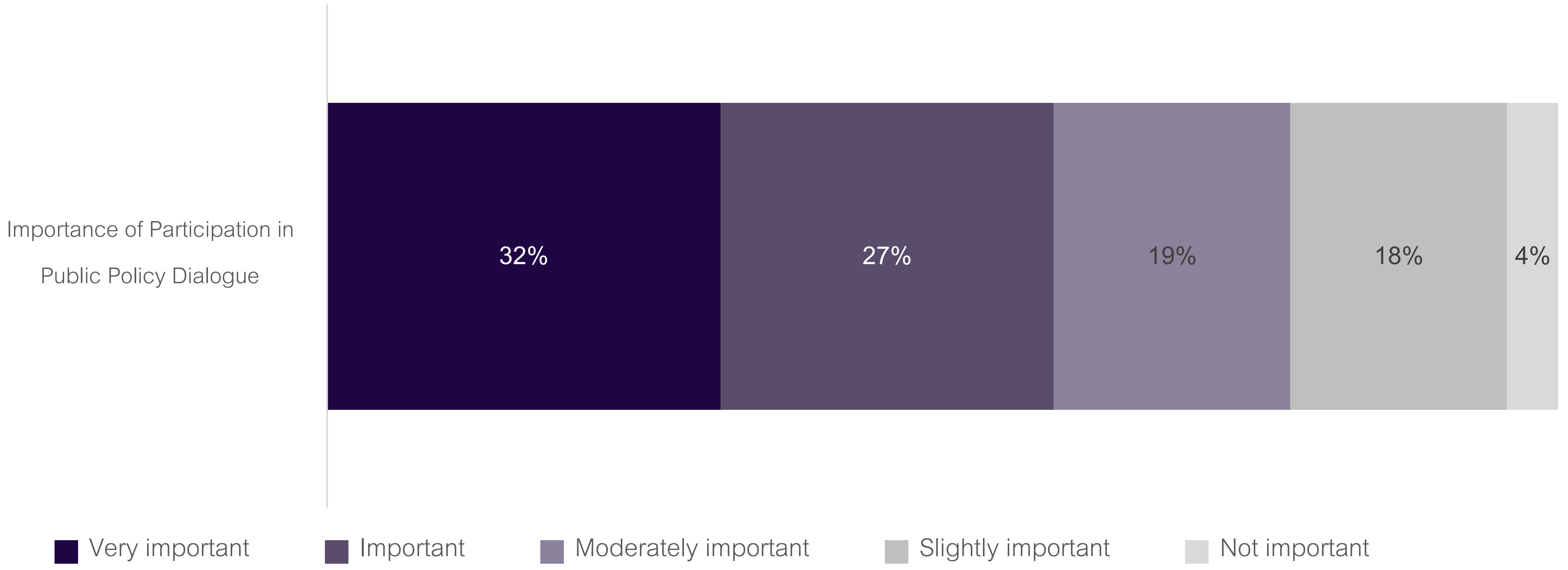
40NEW Has your organization engaged in any of the following advocacy tactics?



Importance of Dialogue | **Sector Engagement**

Over half say it is important or very important to increase their organization's participation in public policy dialogue.

41NEW *How important is it for your organization to increase its level of participation in public policy dialogue and development activities?*



Value to Communities | **Sector Engagement**

Organizations highlighted the value they bring through their core mandates, grouped here into the most commonly mentioned themes.

Q43 What value does your organization bring to your communities?

Community Engagement & Social Inclusion

Advocacy

Equity & Diversity

Arts & Cultural Engagement

Basic Needs & Poverty Reduction

Education & Skills Development

Environmental Stewardship & Sustainability

Economic Empowerment & Workforce Development

Health & Wellbeing Services

Thank you.

ENVIRONICS
RESEARCH