



September 7, 2017

The Honourable Tracey MacCharles
Ministry of Consumer and Government Services
6th Floor, Mowat Block
900 Bay Street
Toronto, ON M7A 1L2

RE: Urgent call to expedite proclamation of the Ontario Not-for-Profit Corporations Act

Dear Minister MacCharles,

Thank you for taking the time to meet with representatives of the Ontario Nonprofit Network (ONN) on August 16, 2017.

ONN, on behalf of our extensive network of nonprofits and charities, respectfully requests the Government of Ontario introduce in the fall session - and expediently pass - the technical amendments bill that is required to proclaim the ONCA, inclusive of the amendments agreed upon with key stakeholders, including ONN.

As you are aware, the Ontario Not-for-Profit Corporations Act passed third reading in 2010. Now in 2017 - seven years later - the nonprofit sector's 60,000+ organizations in Ontario still do not have an up-to-date legislative framework in which to operate.

Ontario's nonprofit sector is a major contributor to Ontario's economy, contributing over \$50 billion. As employers, we are job creators and our sector continues to grow, employing over one million Ontarians in all communities across this province and harnessing over five million volunteers. We are counted on by our communities to deliver programs and services – often in partnership with the provincial government. As an essential pillar in Ontario's economic and social fabric, this Government has a responsibility to ensure our governing legislation provides an enabling framework so we can do our essential work in communities.

The current legislation governing the sector is now more than 60 years old and is wholly inadequate to serve the needs of community-focused nonprofits in Ontario. The Ontario Corporations Act is so significantly out of date, for example, that it does not even contemplate the use of electronic communications and records by organizations. Moreover, the Act's complicated language makes it difficult for nonprofit leaders and their legal counsel to understand its application in the context of modern governance challenges.

New legislation is urgently needed to support Ontario's nonprofit and charitable organizations to build healthy, inclusive and vibrant communities across the province. Just as any other sector

would require, the nonprofit sector needs to be able to do its work under modern corporate governance legislation.

This protracted delay in proclaiming ONCA means that nonprofit and charitable organizations across Ontario that have invested considerable time and money in preparing for the new legislation- from changing their bylaws and membership structures, to updating their policies, and putting new practices in place- are now potentially in legal limbo. Given this legal uncertainty, new nonprofits are postponing their incorporation or are incorporating in other jurisdictions.

This ongoing delay has created harmful uncertainty and anxiety in the sector. This sector of 60,000 nonprofit and charitable organizations questions why the important work it does in communities – which the provincial government counts on - does not have the enabling legislation it deserves.

In summary, ONN requests your Government’s commitment that the technical amendments required for implementation of this Act will be introduced in the Fall 2017 session so that proclamation of the ONCA can be expedited in 2018.

Thank you for your serious attention to this matter and for your leadership. We look forward to hearing from you.

Sincerely,



Marg Stanowski
Chair, Board of Directors



Cathy Taylor
Executive Director

Ontario Nonprofit Network