Devolution of Services to Children and Families:
The Experience of Non-Profit Organizations in Nanaimo, B.C.

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Increasingly, the voluntary sector holds a significant place in the delivery of family and child services, and there are heightened expectations of the capacity of the sector to partner with government in the delivery of services. This study, funded by a grant from the Non-Profit Sector In Canada Research Program, a Joint Initiative of Social Science and Humanities Research Council of Canada and the Kahanoff Foundation, was designed to focus on the current experience of Nanaimo's non-profit family and child services organizations (N=29) providing services on behalf of government and to identify how they are adapting to this devolution. The study explored how the increasing role of NPOs as providers of government services has affected their organizations in terms of organizational practices, accountability and impact on services. This study assessed the consequences of current contracting practices. Information was acquired through means of interviews with executive directors and focus groups with board members, executive directors, line staff, representatives of government funding agencies and the United Way. The survey revealed that a significant proportion of funding comes from provincial government contracts, particularly in the case of mid-sized agencies with budgets between $500,001 and $1,000,000, in which contracts represent 85% of the annual budget. The funding climate is uncertain and there is considerable confusion about the contracting process. The process of acquiring and working within these contracts is time-consuming and stressful. Accountability requirements are demanding, and NPO's express concern about a shift from voluntarism to a business management model. Recommendations include a need for increased collaboration and linkages between NPOs, a body that speaks for the voluntary sector, a broader debate about the role and future of the voluntary sector, and improved relationships between NPOS and government funders. Recommendations for further research in the area are suggested.