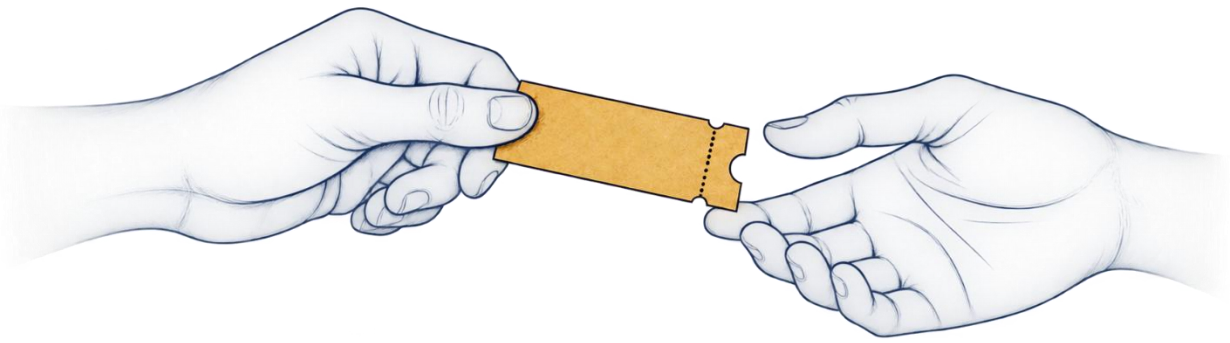
OFFICE OF THE NEW BRUNSWICK ADVOCATE

BUYING THE TICKET

How the Community Sector Can Make Our Public Services Better, Faster, and More Human



DÉFENSEUR ADVOCATE

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ADVOCATE'S FOREWORD

Does equal opportunity need bureaucracy or community?

A mischievous part of me wanted to call this report *Louis Robichaud's Bastards*. That would require some explanation. The explanation would be important in understanding this report, though, so here goes.

In 1992, the Canadian philosopher John Ralston Saul wrote a book called *Voltaire's Bastards*. It is a seminal work for those who want to understand Western democracy. In it, Saul explains how bureaucracy could kill public faith in democracy.

The story goes roughly like this. Authoritarian structures like monarchy or theocracy work on the whims of one person. They become arbitrary, and one reason authoritarian governments fail is that eventually weak despots can quickly action their stupidest ideas without the criticism and reflection that can stop them.

The French writer Voltaire challenged monarchy and theocracy during the French Enlightenment. He believed that reason – the act of ensuring consistency in reasoning and questioning ideas through free debate – would lead to people being governed more wisely, justly and equally. If leaders must submit their ideas to reasoned debate, and if all citizens were free to engage in logical discussion, better ideas would arise.

Voltaire was one of the voices that took Western civilization into the era of democracy. That era has served nations like Canada well. Free inquiry and responsible government not only lead to human rights, liberty and stable government, it also creates the conditions where scientific inquiry and free enterprise flourish. It is no coincidence that in the last 200 years, constitutional democracies have a higher standard of living, patent more products, and report more happiness than closed nations that restrict reasoned debate.

In *Voltaire's Bastards*, John Ralston Saul warned that the idea of reason was becoming warped by a misunderstanding of expertise. Increasingly, democracies had a ruling class of elites who specialized in particular areas. In each area, these elites would lay down rules that would restrict non-experts from using their discretion. Over time, however, the line between technical knowledge and value judgements blurred. Expertise in the technical subject was used to silence concerns that said expertise was being used to the wrong ends. A new elite of subject experts would not only tell people how things work, but would also silence questions of whether or not things were working for everyone.

When married to bureaucracy, this technocratic silencing of value debates would break government. If bureaucracy – an expertise in the process of making decisions – became its own specialization, then eventually the process would become the end of government itself. Citizens would be told that they could not question government decisions as long as the process was followed.

Saul argued that we were living through that evolution in the 1990s. The process of bureaucracy was becoming its own logic. Yet that logic was squeezing out the very things – reflection, accountability, a focus on results – that made reason such a force for good in the first place. The process of bureaucracy was replacing reason and, worse still, was using technical expertise to silence legitimate questions about whether the process still worked for people.

When you see government defend a stupid outcome because the process was followed, you have seen Voltaire's Bastards at work.

Thirty-five years ago, Saul predicted that if this continued, you would see a breakdown in citizen trust of government. Of course, if he was right, today you would see in Western democracies populist parties rising in protest against governments, a breakdown in faith in scientific expertise, technological forces rising faster than the ability to regulate them, governments spending more money on social programs while getting worse results, and working-class voters turning against the very social strictures and programs that the elites claim are there to help them.

So, how's he doing so far?

A recent case in British Columbia shows the dangers of substituting expert-driven bureaucracy for the logic of values and common sense.

A 10-year-old child had Batten disease. The rare condition causes devastating seizures, gradually stealing both her sight and mobility. She was destined to die heartbreakingly young.

A drug, Brineura, could prolong her young life, slow the effects of the disease, and reduce the seizures. With Brineura, the girl's seizures went from dozens a day to a few. This made for a better life for the little girl. It also cost $850,000 per year.

B.C.'s expert panel, charged with reviewing drugs that are emerging and expensive, applied "discontinuation criteria" and determined that the drug no longer met the criteria for coverage. The criteria in place required the experts to look at whether or not the drug would extend the little girl's life and improve her mobility, and since the experts knew that over time the drug would lose its effectiveness at those things, they cut her off.

The minister defended the decision at first, because she said that she had to defer to the experts. Then it came to light that other provinces' experts reached different conclusions. A group of Batten disease experts in the U.S. explained why. BC's criteria asked the panel only to look at the *extension* of life. Other jurisdictions asked a broader question about the impact of Brineura on the *quality* of the child's remaining

life. That question would have led to a different outcome, because even if a child may not live longer, life is objectively better when not having multiple seizures a day.

The minister restored the treatment after hearing these objections. Ten experts have now quit B.C.'s panel to protest this "politicization" of a medical decision. Those experts were truly acting as Voltaire's Bastards, because they confused technical expertise with a value judgement. Medical education bestows many skills, but it does not make one an expert in good governance processes. It does not make one the final arbiter of values. And it clearly does not teach some people the difference between those.

The real question was not a technical one, it was a moral one: "At what point is the possibility of making a child's remaining days better important enough that we are called to spend public funds on that chance?" And that is a question of values, which the Minister alone was qualified to answer because she was elected to do so.

Bureaucracies often conflate technical expertise with value judgements. I don't tell an Air Canada pilot *how* to fly the plane to Winnipeg. I do insist on the right to decide *whether or not I want to go* to Winnipeg. And these days, there are a lot of cases where governments seem to be telling citizens that unless they know how to fly a plane, they should just shut up and go to Winnipeg. Because the bureaucratic rules have replaced reason, logic and humanity. And sometimes, a central office has replaced the community.

The New Brunswick Twist: How Equal Opportunity Turned into Central Authority

New Brunswick's government has a lot of systems where the process has become conflated with the logic. We are highly centralized compared to other places in terms of prescribing rules. Our local governments have less discretion and fewer powers. Our school curriculum documents are thicker and more directive for teachers. Our social programs run on central manuals that tightly limit access to programs.

Yet, for all this accountability for following rules, no one is accountable for results. If a child is in crisis, there are rules limiting schools from getting them assessed or getting them services without central approval. If the child winds up in a group home, there are regulations telling the group home how they can spend their money and what extracurricular programs a child can take. If an older teenager asks for help preparing for independent living, there are rules on who can get those services. If a child in government care is looking at university or college, the first thing they see is often a list of rules of what the system won't pay for. When young people get accepted to university, a parent's first words wouldn't be "OK, but I'm not paying for the frosh pack". Yet that's exactly how we greet the news from children in care.

All those rules…but if the child winds up homeless, absolutely no office or employee is evaluated on the basis of that outcome.

If an older adult needs help staying in their home, there are rules about who can get a lift chair, or who can get home care, and even around circumstances where a small amount of arrears will block them from home care totally. If they get dropped off at an emergency room and have to stay there, that outcome does not form part of any regional office's evaluation.

The central rules are the logic. Why is New Brunswick so prone to this?

The Equal Opportunity reforms of Louis Robichaud are rightly seen as a turning point, and a good one, in New Brunswick's history. What we seem to have forgotten is the point of what they *were* designed to do, and what they *were not* designed to do.

Equal Opportunity was designed to use the redistributive powers of the provincial government to eliminate regional disparities in funding and program quality. When local and county governments were responsible for the provision of vital social programs, the discrepancies in tax bases led to huge differences in the quality of health, education, and the social safety net. It also kept small governments in a weak position in terms of raising revenue, because companies could make very small moves and disrupt these tax bases.

By centralizing the taxation and revenue distribution with the provincial government, the government of the day was able to ensure that quality of service was comparable throughout the province. Angrily resisted in its time, Equal Opportunity rightly became an article of faith across the partisan spectrum. The role of the provincial government using the powers of redistribution – taxing and funding – to ensure hospitals, schools, and social programs of equal quality existed in all communities was an important step in our development as a province.

Central governments are very good at redistributing funds and opportunity. It is one of the essential roles of a central government, in fact. What central governments are not as good at doing is delivering and managing programs. After a couple of decades, government had begun expanding Robichaud's reforms beyond their original purpose. No longer did the provincial government simply ensure equal funding; instead, provincial bureaucracies began standardizing delivery and regulations as well. By the early 2000s, it was common to see a complete conflation between the idea of centrally **funding** social programs and centrally **managing** social programs. Local governments became increasingly disempowered, and social programs were run with high levels of central rules. Local innovation was automatically seen as threatening a return to the pre-Equal Opportunity days of local funding, even though funding a program and delivering it are two separate functions that do not have to be equally centralized.

Further, the austerity era that began in the 1990s generally led to centralization and regulation being done for reasons that had nothing to do with people being healthier, children learning more, or families moving out of poverty. Instead, rules like the family income policy were explicitly done to limit the discretion of the

people working directly with citizens so they could not allow the social outcome of the program to lead to overspending. Rules became their own logical framework with limited opportunities for frontline workers to actually solve problems. If two people on social assistance might benefit from sharing an apartment, that did not matter – the rule directed a social worker to threaten to claw back the social assistance cheque in all cases, whether it helped the client escape welfare or not. If an older adult needed a lift chair to stay in their home longer, the appeal was made to the rules and, critically, not to the question of what might happen to the older adult if they didn't have access to the lift chair.

And if you could get a teenager into a home and off the streets with a bus ticket, the rules had to weigh in before common sense.

Over time, the conflation of equal opportunity and equitable funding with centralized decision-making and bureaucratic regulation broke faith with many of the small communities that Equal Opportunity was supposed to help. One can understand the frustration of a small community that kept a school or hospital going with a small local tax base and the goodwill and volunteer efforts of a community that knew and cared for those who used it. To be sure, the community benefitted from the Government of New Brunswick centralizing funding and providing equal resources. However, when after a couple of decades that same government returned and said that central planning now dictated that the school or hospital must be closed, one can see how small communities came to distrust central government.

Indeed, we are living through a political realignment in which the people and communities who were most likely to benefit from centralized bureaucracies are least likely to feel rallied by calls to expand the social safety net. Parties that argue for an expansion of the social safety net are often supported more by those who are paid to regulate and deliver the programs than they are supported by those who are supposed to benefit from the program. This is the end result of a five-decade journey that started with government regulating against inequality and which has ended with government regulating against compassion, judgement, and common sense.

Voltaire's Bastards found their New Brunswick counterpart: Robichaud's Well-Meaning Centralizers.

Today's Disruptors: Bringing Compassion and Common Sense Back

Recent reports from this office have shown the stark difference between systems that prioritize compliance and consistency, and systems that prioritize outcomes. The community non-profit sector has the culture that government struggles to create.

There is a tendency for government mandarins to defend the system by pointing out that government has finite resources and must manage budgets. This is true, but it misses an obvious question.

NGOs also have budgets and financial constraints, and exceeding budgets is more immediately disastrous for a small non-profit organization. After all, non-profits cannot issue bonds to borrow money or raise fees and taxes if they run deficits.

So, if government's reason for being slow and process-driven is fiscal responsibility, how are non-profits effective with smaller budgets per client?

The answer may lie in the fact that following process may actually be more expensive in the long run. Government-think has come to see responding quickly to needs as correlating with fiscal recklessness. The organization that responds quickly at the first sign of trouble may actually be the fiscally responsible one.

If one thinks of the recent report from this office, *You Said Y.E.S., They Said No*, there were teens rejected from the Youth Engagement Services program, which is designed to help teens-at-risk make successful transitions to adulthood. Those cases of refusals – a pregnant teen left waiting for months in a homeless shelter, a teen denied rehab services while recovering from an overdose in a hospital, and a teen told to live in a home with a stepparent facing criminal charges of abuse – rightly saw the system face criticisms of being callous and uncaring.

Sometimes, we falsely put "compassion and caring" as the opposite of "being financially smart" and argue for a balance. To be more caring, we assume, always means being freer with money.

This may be one of those things that everyone 'knows for sure,' but that just isn't true.

If we think of those three teens, the denial of service today likely means more money tomorrow. Because turning them down from the Y.E.S. program did not mean that the teens vanished. It means they went on, without support, into new days and compounding problems.

If you wanted to design a way for a company to go bankrupt, one good way would be to punish anyone who solves a problem early and cheaply while demanding that the most expensive problems be dealt with immediately and in crisis. That's exactly how government is designed. Because government doesn't always build systems to go slowly and say no. Government has systems that say yes quickly, without study, and without budgeting. They are all the systems that respond to crises.

If a seven-year-old is struggling with behaviour and learning, the school district will generally take months to approve assessments and interventions, carefully screen the case before using complex case or integrated service designations, and tell the school not to exceed its budget without several layers of approval. If the child is 12 and starts having violent outbursts, the school will spend money to convert a classroom into a seclusion room and hire multiple assistants to de-escalate the child. If that doesn't work, the school district will place the child on a partial day plan, but then will often take months to go through all the screening to

pay for assessments or interventions outside the school. If the child turns 14 still waiting for help and still not allowed to attend school full-time, numbers show that they are likely to do any number of things that will draw an immediate, unscreened, unbudgeted response from government.

If someone commits a crime, winds up in an emergency room, starts self-harming, applies for social assistance, or has a child they cannot care for, the system responds immediately and expensively. In those instances, all of the directions to frontline employees are "go quickly, and don't think about cost".

When a teen is homeless and living in a tent, government makes them jump through many hoops to get shelter. But government will pay the police to drag their tent away, or arrest them, without any approval process at all. Government can pay to treat several overdoses in an emergency room more quickly than it will get someone into drug rehab.

Government punishes disruptors for acting early and then pays first responders to deal with the crisis. A huge part of New Brunswick's structural deficit is in spending on expensive crises that could have been averted more cheaply if someone acted earlier before a situation devolved into a crisis.

In government, we have systems that punish disruptors. Successful companies promote them. In the private sector and the non-profit sector, the person who says "I saw a problem developing and I took action" is rewarded. In government, they are penalised.

It should not be beyond the collective imagination of the civil service to imagine a world where Cabinet can say to a Department, "we will give you additional money this year, but in five years you must deliver results".

What if school districts got an extra $10 million a year to ensure immediate assessments and interventions for struggling six-year-olds, but needed to show savings in five years via fewer 11-year-olds needing services, partial day plans, and seclusion room trips?

What if the Department of Social Development was told to spend an extra $20 million on Youth Engagement Services, but senior management needed to show that in five years the numbers of youth needing housing support or being charged with crimes had to drop enough to deliver $30 million in savings?

What if the Department of Social Development was told to spend an extra $30 million per year on home care, family leave, and home renovations to allow older adults to stay at home, but senior leadership knew they had to show $50 million in savings in five years from fewer older adults needing to be admitted to long-term care?

Wouldn't the system manage differently? Wouldn't senior leaders give different instructions and processes to frontline workers?

Right now, we use the lack of accountability as a reason we can't spend the money, and then we use the lack of money as a reason not to hold people accountable.

If we reversed that, we would immediately make government more like the best of the private and non-profit sectors.

Government resists that "more resources, more accountability" trade-off. Yet the non-profit sector wants that deal. This report is about how to offer it.

Because the system needs disruptors – those who look up from the rulebook, see the crisis coming, and take personal responsibility for avoiding the crisis. A disruptor escalates when the rules don't make sense. They advocate.

As government runs now, we usually weed disruptors out or break them. We need a system that values them, encourages them, attracts them, and keeps them.

If government cannot change, it should get out of the way. Government redistributes funds well. It does not run programs well at all. This report is a plan to start getting the money where the disruptors are so that citizens can get the services our taxes pay for.

Social Entrepreneurship

Entrepreneurship is a concept we associate with the private sector. It does not have to be confined to that space. The private sector generally has a well-defined goal, and that allows for more freedom. People within organizations know that they are accountable for outcomes, and so they are expected to be disruptive if existing structures don't meet the moment. Avoiding losses or seizing opportunities for profit are legitimate reasons for people to take action or at least to warn those higher up that new approaches are needed.

Of course, democratic governance differs from the private sector in that the goals are more diverse. If a premier simply told government departments to run surpluses and that would lead to employees being promoted and rewarded, that plan would end in disaster. After all, any deputy minister can create a surplus by simply not doing their job. The Department of Transportation could easily run a surplus by never building the roads it was funded to build. The Department of Health could just stop paying doctors, and a massive surplus would result. However, no one would want that. Democracies have more diverse goals.

And yet, in New Brunswick today, this has become an excuse to have no goals at all for social programs. Many social programs have language that states certain goals, but if one dove below the surface and the spin, real evidence of those goals would be hard to find. How many social programs have clear outcomes that are reflected in employee evaluation? How many have goals that must be met in a defined period of time, or else managers are required to be changed?

Business and science work on the time-tested logical method of prediction and measurement. If one is to be credited with a successful idea, one should predict what will happen, then measure whether or not it happened; and if it does not happen, one must change the hypothesis.

In government, most new programs do not require a clear prediction, or measurement, or a clear moment where one must admit failure and try something new. The culture is that the announcement IS the outcome. Governments announce new spending and new programs and avoid holding themselves accountable to results. Departments fail over and over and then blame a lack of resources; governments put more money into the same programs, run by the same people, and call that reform.

For people on the frontlines, this actually makes them MORE beholden to the bottom line than actual success. When we refuse to define what failure would look like, we also tacitly refuse to define success. Nothing ever really works or doesn't; nothing ever operates effectively or ineffectively; it just operates. So, successful pilots sit unscaled for years, and failed programs keep moving like zombies. In the end, the only measurements taken and rewarded are compliance with the rules and coming in under budget. In the name of not making it all about the bottom line, we stopped measuring anything but the bottom line.

Businesses do not work that way. The world is full of entrepreneurs who made a difference because they saw structures that did not work and tried something new. At the advent of the Internet, people trapped in companies who clung to physical service delivery struck out and found ways to serve consumers and learners and readers more flexibly online. A cook in a restaurant developed a more efficient and customizable way to make subs or burritos or tacos and put their old employers out of business. Writers and artists whose pitches were rejected by the traditional studios appealed directly to the market and found audiences.

Entrepreneurship simply means taking personal responsibility for a defined outcome. It carries over well to the social side of human endeavour. New Brunswick's entrepreneurial community schools use projects and experiential learning to let students' curiosity drive their learning. The New Brunswick Community College system has often thrived when campuses are freer to anticipate and meet local needs and offer new programs that meet the skills people feel they need. Key industries like aquaculture and information technology found that government does better supporting a decentralized culture of private risk and innovation rather than trying to pick the next big idea.

Entrepreneurship does not always have to mean the pursuit of profit. We just have to accept that the same culture of creativity and accountability does not have to confine itself to ideas on how to sell more burritos, cell phones, or concert tickets.

What if the innovative idea was a social idea? What if someone in a small New Brunswick community noticed that a lot of children were leaving Grade 3 not able to read, and had an idea to bring some local businesses and social service agencies together to work on a plan to, say, provide mentorship, free books and structured play time, family workshops, and games within a community in the belief that more children would learn to read, regardless of their family income or background?

This culture already exists in the non-profit sector. We see it in Saint John's BCAPI (Business Community Against Poverty Initiative), where communities wrap services around schools to support children's learning needs inside and outside the classroom. We see it in Moncton's Head Start program, where early learning becomes the hub that supports the parent and the child. We see it in Social Pediatrics programs that allow family medicine to harness the community to deliver on all the things children and families need to promote their wellbeing. We see it in programs like Avenue B in Saint John and Ensemble in Moncton, where people wrestling with addiction are supported by people who see both their need to be safe today and their need for a path to a better tomorrow. We see it in Saint John's First Steps program and the Saint John Learning Exchange, where young people at risk get clear connections between the education they need now and the hope that comes from knowing it will lead to a job and security.

We have social entrepreneurs all around us. They are disruptors, people who see community problems that will only get worse and then rush in to change the trajectory. They act to prevent the crisis because they want to circumvent the heavy penalties that result from letting the crisis arise. Where government programs have criteria that push frontline people to postpone action until there is a crisis, these organizations measure success by averting the crisis. They don't just save us from the human cost of crisis; they save government untold amounts of time and money by preventing crises so they never happen.

Today, most government programs that fund non-profits do so with accountability processes that try to make non-profits more like government.

Bureaucrats try to make non-profits merge or collaborate as a government rationalization exercise would do – even though most government rationalization exercises never measure to prove that fewer organizations mean better outcomes. (Quick question – did having fewer District Education Councils yield higher or lower literacy scores? Did having fewer health authorities lead to shorter or longer wait times? These are critical questions that have real-world consequences and are vitally important to be cognizant of).

Bureaucrats dole out money from granting programs that require non-profits to fill out extensive paperwork defining goals and measurements, while the granting programs they run have no defined goals or measurements. (Quick question – how would I know if the Regional Development Corporation actually developed any regions? If they did, which ones did they develop? Once again, these are questions that should have clear and available answers in an ideal world).

Bureaucrats administer programs to fund new ideas and innovation from non-profits, and then when non-profits succeed, refuse to give them long-term funding for staff and expansion because they want to fund more innovation elsewhere. (Quick question – how many successful pilots from the Healthy Seniors Pilot Program are now funded long-term, and how many have been expanded beyond their initial scope? Shouldn't the answers to these questions be commonly known and celebrated for their success?).

In short, non-profits that thrive because of their lack of bureaucratic government control are usually told they will only get funded if they accept more bureaucratic government control.

It's time for government to realize that, sometimes, finding more solutions means giving up control. Private sector entrepreneurship thrives because we accepted that many people with the right incentive, who are working on ideas, leads to more downstream good ideas as opposed to waiting for 20 cabinet ministers or 20 deputy ministers to think of every idea. Social entrepreneurship is the belief that the same can be true when it comes to solving our most stubborn social problems.

This report is written because the children, older adults, and vulnerable adults who rely on a strong social safety net can no longer rely on the status quo. The old ways of central command, rule-based structures and announcements with no results, have failed too many people. It's time for something new.

This report does not offer a new structure. Instead, it suggests that we need a *way* and not a structure.

We don't need new rules; we need to tear down the rules that stand as a barrier to our most creative people and to our natural spirit of community and collaboration.

The recommendations here are not so much a new idea – they are a way to get the money to where the new ideas are.

New Brunswick has a structural deficit of crisis – we spend too much on programs that respond to human misery, and not enough on preventing it. It's time to stop believing that deficit reduction means asking deputy ministers to imagine how they would do 90% of the status quo, and time to start looking for ways to break the status quo.

Government has the money. Communities have the solutions and the motivated people. This report just puts those two truths together. I invite the reader to imagine something different.

TABLE OF CONTENTS

FROM BREAKDOWN TO BREAKTHROUGH **16**

The Consultation Process **20**

Reframing the Role of NGOs **22**

Action 1 – Creating True Partnerships 24

Action 2 – Redefining Success 25

Action 3 – Building for Sustainability 26

What Would a Non-Profit Opportunities Unit Look Like? **29**

How Would Social Entrepreneurship Contracts Work? **30**

Applied Example #1 32

Applied Example #2 33

Applied Example #3 34

Reducing Red Tape and Scaling Collaboration **35**

Learning from the Past 35

Why This Can Be Different 38

Ensuring Inclusion and Equity 38

Building Sustainable Financing 39

An Action Plan for Real Change **41**

Redefining Success 41

Addressing Recent System Failures 43

Recommendations **46**

Conclusion **48**

References **49**

Further Reading **49**

FROM BREAKDOWN TO BREAKTHROUGH

It's a straightforward story. The lesson is clear, if we choose to learn it.

This story begins with two young people, barely older than children, really, both being 19 years old. Their childhoods had not been easy. As they became adults, they found themselves living rough in a tent.

Everyone agrees that a tent is not where 19-year-olds should be living. When everyone agrees that something is wrong, effective systems find a way to change it.

A local non-profit was working furiously to line up housing for the two young people in their hometown. If they could get home, there would be family supports and a community group to help them. Maybe, with the stability that a secure place to sleep would provide, these young people could focus on being able to take the steps that would begin to permanently rebuild their lives.

At this juncture, two clear paths emerge. On one, two young people who hadn't known many good breaks would get a warm place to sleep and a chance to move from survival to stability. On the other, the quest for survival would see them always on the move, fighting to stay warm, find food, and facing an endless string of short-term decisions that result in ever-temporary outcomes.

The plan was in place, the supports were waiting, but there was one last barrier: they needed to get home. The price of one bus ticket was the difference between a plan for the future and the struggle of the status quo.

Staff at the local Social Development office wanted to help, but government doesn't always run on solutions. They run on rules. One rule is that you can only help someone if they fit in a program, which means meeting the eligibility criteria. If a person doesn't fit in a program, you can't help. Public servants work in a world where you can spend thousands keeping someone in crisis, but you can't spend five dollars to get them out.

If the young men wound up in an emergency room, there would be thousands of dollars in care provided by doctors, nurses, and others of the scarcest people in the system. If they broke into a building to stay warm, or stole some food, police and courts and lawyers would respond without waiting for approval. But a bus ticket to get home didn't neatly fit any of the checklists or programs. Everywhere that Social Development staff tried to find a funding line to cover the fare, the paperwork said the young people didn't fit.

Time was critical. Every day meant moving around to survive. Time delays meant the ever-present danger was that these youths might disappear from the system altogether, showing up later in an emergency room, or worse.

So, the leader of a small non-profit, an organization with far fewer dollars and far fewer people than the government had at their disposal, did what the Government of New Brunswick could not do.

They acted.

"We're client-centred, not program-centred", they said, and then they simply used their limited operating funds to buy two bus tickets.

> *"We're client-centred, not program-centred"*

The contract the non-profit organization had with government didn't allow for bus tickets. Government couldn't reimburse them. Yet because this one small non-profit acted, two young people woke up in a warm place with help rebuilding their lives, because someone did what was needed.

It is a paradox of our system that most of the time when government funds non-profits, they impose rules and paperwork designed to make the non-profit operate more like government, even though what we often need is for government to work more like non-profits.

Community organizations act quickly, flexibly, and compassionately, but the system they operate within does not. Government is designed for programs and rules, not people or results.

That moment – two bus tickets, two lives – speaks to the heart of this report.

This report is not another diagnosis of what's broken. Our office did that in *How It All Broke*. Many people said that report diagnosed the problem. This report is one of a series on how we fix what is broken. It is the start of upstream ideas looking at how to rebuild trust, realign accountability, and create a system that is responsive, humane, and driven by outcomes that truly change lives.

It offers practical steps for reinventing the relationship between government and the non-profit sector. It calls for a partnership where government sets clear goals, trusts community expertise, and measures what matters: outcomes for people. And it lays out the next essential step: the creation of a Non-Profit Opportunities Unit that can coordinate funding, streamline processes, and use tools like social impact bonds or social entrepreneurship contracts and outcome-based funding strategies to fund results, not red tape.

The stories in this report, and the voices behind them, come from non-profit leaders across the province. Together, they told us one thing clearly: New Brunswick's greatest social resource is its people and the community organizations that serve them.

We just need a system that works as well as they do.

We need a system that can do a thing that everyone knows needs to be done and makes *that* the measure of its effectiveness.

We need a system where people are allowed to buy a damn bus ticket today, instead of sending a crisis on downstream, only to show up with more complexity somewhere else tomorrow.

New Brunswick stands at a crossroads. Across our communities, non-profit and community organizations provide the care, connection, and compassion that holds our social fabric together. They feed families, house the homeless, support older adults, and provide lifelines for children and youth. They are often the first responders within the social safety net, working directly with clients and being the first call when children, older adults, and their families struggle. When there are breakthroughs – from homelessness to stability, from poverty to employment, from crisis to graduation – we often hear that non-profits were there, supporting people through the steps on a journey that led to a final celebratory achievement.

Yet too often these organizations are considered separate from the work of government's social mission – treated like subordinates at best, adversaries at worst. To lead in the non-profit world means navigating short-term funding, redundant reporting, and inconsistent policy frameworks.

In our earlier report, *How It All Broke*, the Advocate documented the structural failures that are fraying New Brunswick's social safety net: fragmented services, short-term thinking, and a system designed to manage crises rather than prevent them. Government often rewards compliance over results and celebrates inputs over outcomes. Government doesn't celebrate the person getting out of the tent and safely home: they reward the person who checked the rules and said "no" to the bus ticket.

This follow-up report is about solutions. It asks one central question: "What would it take to build systems that serve people *before* they break down?"

We believe the answer lies in a new partnership with the non-profit sector, founded upon genuine structure and outcome-focused collaboration between government and the non-profit sector.

Across New Brunswick, community organizations have proven they can respond to need faster, closer to the ground, and often with greater compassion than any centralized bureaucracy. This is an opportunity: small

organizations with incentives based on results can, quite simply, move more quickly and make more precise calls tailored to on-the-ground needs.

It has been said that a wise government "steers but does not row". What government does very well is work within the parameters surrounding equalization of opportunity – only government can overcome regional and class-based discrepancies by ensuring equitable distribution of resources. Where government stumbles is in delivery. Because government is inherently risk-averse, it often builds systems designed to avoid mistakes, rather than systems designed to realize achievement through breakthrough. That explains why government defaults to both systems and incentives that reward conformity and chase problem-solvers away. Government craves uniformity, because with uniformity we avoid unpredictable errors that break the mold. It also, as a price for this safety, avoids innovation and discourages innovators.

Unfortunately for rigid systems indexed around rigid structure, people consistently defy uniformity, especially in the area of social services. They rarely fit neatly into buckets and, even if individuals do try to conform, the uncontrollable ebbs and flows of global trends do not. The barriers and challenges the universe throws at us are messy and unpredictable. Life is a dynamic and evolving story, not a *prix fixe* menu.

In fact, when we talk about the private sector, we seem to intuitively understand that government can set ground rules and limits and provide for equal opportunity. But only individual actors, free to innovate and find solutions and develop new products, can develop products, respond to incentives like sales and profits, and run businesses. In business, we celebrate those who set the goal and incentivize outcomes, but within that dynamism there is a need to create a space where people on the frontlines make decisions and are held accountable for them. To use a sports analogy, we know what outcomes lead to points; we understand what actions are acceptable, and our coaches set out principles and guidelines for decision-making aimed to maximize the efficacy of the team. But the team can only achieve greatness if the player with the ball (or puck, to be Canadian) is empowered *to make the play that the moment demands*.

And yet, in the real world, in social services – one of the messiest and most human areas of government endeavour – government tries to script the game. Trying to get off social assistance and get a job? Well, we will tell you when you can have roommates, when you need to take a bus, when you can accept a gift. Trying to keep an aging parent at home? Well, they'll need to fit a formula determining when you can get a lift chair, when you can receive home care, and which programs your loved one fits into. Child struggling with behaviour at school? Well, there's a formula for staffing or for when they can get help. If this was a team sport, one would need to know months beforehand if your teammate was open before throwing the pass.

Government does two indispensable things very well – it defines goals and limits based on democratic consent, and it redistributes resources to give everyone a fair shake. It tells us where the end zone is, sets rules, and makes sure the teams are fair.

Community-based non-profits are the ones who see the client in front of them and the world around them. They are the ones who have to throw the pass in the moment. They know when we need a full assessment and when we need a bus pass. They make the plays that change people's lives.

They cannot keep doing so on unstable, short-term funding and fragmented reporting systems that drain time and energy from the frontlines.

Government, for its part, cannot solve today's complex social challenges alone. It needs the innovation, flexibility, and trust that non-profits bring.

This report sets out a clear, realistic plan to construct a bridge utilizing those strengths through:

- Structural reform – creating a new way for government to define and structure its relationship with the non-profit sector, with full cabinet-level responsibilities for changing that relationship. Just as we have cabinet-level responsibilities for understanding, supporting and partnering with the private sector, we should have a unit that builds capacity of the non-profit sector, works with departments to maximize collaboration, strengthen government's ability to enter into partnerships and to define and support the areas where collaboration can happen;
- Financial and governance reform – launching outcome-based funding tools such as social entrepreneurship contracts and outcome-based contracts with non-profits;
- Cultural reform – changing government's view of non-profit funding from something that is done *for* non-profits to one that provides funding as a *pathway* for lifting up people and communities, moving from a *charitable* model to a *service-provision* model that treats NGOs as essential partners in delivering government's social mandate.

The Consultation Process

This report was built from the ground up.

Over eight months, the Advocate's Office, in partnership with United Way, led a province-wide engagement process. It included:

6	30+	31	7
REGIONAL CONSULTATIONS	IN-DEPTH INTERVIEWS	ONLINE SUBMISSIONS	ADVISORY GROUP MEMBERS

- Six in-person regional consultations in Saint John, Fredericton, Moncton, Miramichi, Edmundston, and Caraquet;
- Over 30 in-depth interviews with NGO executives, frontline workers, Indigenous organizations, municipal leaders, and public servants;
- 31 online submissions from community organizations, including smaller rural agencies often left out of policy consultations;
- The constitution of a 7-member advisory review group to discuss recommendations for feasibility and ensure they reflect on-the-ground realities.

These were the questions we asked:

1. How can government and non-profits work together more effectively to strengthen partnerships, improve coordination, and overcome structural differences?
2. How can New Brunswick leverage the non-profit sector's impact on service delivery to ensure stronger community outcomes?
3. How should success be measured in ways that ensure accountability but reduce bureaucracy?
4. What strategies will ensure long-term sustainability and workforce stability for frontline organizations?

And this is what we heard:

> *"If the non-profit sector went on strike tomorrow, hospitals and jails would collapse in a week" – NGO Executive Director*

That quote from one NGO leader captures the reality of dependence and imbalance that defines today's system. NGOs deliver critical public services, but with little stability, fragmented oversight, and outdated funding models that treat them as contractors, not partners.

Our consultations found that government is often both the sector's primary funder and typically also its largest source of client referrals, creating a relationship in which NGOs are both highly dependent on government while at the same time enjoying limited flexibility to shape how services are delivered or resourced.

Feedback from across the sector reinforces just how unsustainable the current government/NGO model has become. Organization leaders described limited access to meaningful training and capacity-building opportunities, increasing financial strain when restricted project funding cannot be used to meet core operational needs, and a growing loss of flexibility to respond to emerging community needs. Beneath all of this, NGO leaders described deep and widespread burnout among the people carrying out this work, leaders and frontline staff alike, who are being asked to do more with less, often without the stability, resources, or organizational capacity needed to sustain the work. The result is a sector that remains deeply committed to communities but is increasingly stretched to the point where its own sustainability is at risk.

Three clear priorities emerged through the consultations:

1. There is a need to recognize the vital role of frontline community-based decision-making and to build it into social program design.
2. The non-profit sector has the same need for predictable and stable funding that public sector managers in government departments have.
3. Both the public and non-profit sectors should be jointly accountable for delivering results, not just for having spent money or performing actions.

Together, these priorities form the foundation of this report's action plan, as well as the case for moving from a charitable model to an essential-service partnership model.

Reframing the Role of NGOs

For generations, community-based organizations in New Brunswick have filled the gaps left by formal systems: feeding families, sheltering the unhoused, supporting youth in transition, and caring for older adults. Their work has often been described in charitable terms: generous, compassionate, and voluntary.

But this framing, while honourable, no longer fits the reality: these organizations are not merely charitable; they are essential services.

While the impact of community-based organizations, or 'the community sector' – often defined as the combination of non-profit and charitable organizations and their activities – has been studied in terms of social impact, comparatively little research has focused on the economic impacts the community sector can have on a region. When we think of economic impact, we largely assume this to come from either government or the business and for-profit sectors, which can undermine in the public eye just how valuable

community-based organizations are in reality. In New Brunswick, a recent summary report[1] notes that the community sector is made up of 4,418 non-profit entities and 2,592 registered charities. The same report notes that in 2019 the community sector in New Brunswick catalyzed over $900 million in annual economic value through volunteering contributions.

Statistics Canada reports that in 2024 the non-profit sector (excluding government non-profits) employed roughly 17,000 people in New Brunswick[2] and contributed $1.1 billion to the provincial GDP[3]. These figures are not unique to New Brunswick; the same trends are reflected both interprovincially and nationally[4]. These contributions to the provincial economy are increasing year-over-year and yet understanding and appreciation of the community sector remain under-studied, which can have an impact on how effectively the sector can operate. Focusing purely on the social value of the community sector undermines recognition of the economic impact of the sector, and can in turn negatively impact investment, development, and decision-making within the sector itself. Understanding the important role, both social and economic, that the community sector plays in New Brunswick can pave the way for increased strategic collaboration among the three economic mainstays – government, business, and community – and result in enhanced service delivery and easier system navigation for all New Brunswickers.

Community organizations deliver critical social infrastructure – every bit as vital as hospitals, schools, or transportation systems. And yet they operate without the same stability, recognition, or coordination. Their success depends on precarious grants, year-to-year renewals, and overlapping accountability requirements that often measure paperwork more than people's progress. Recent sector research reinforces that the challenge is not a lack of commitment within the community sector, but the conditions under which that commitment is expected to operate. Workers identified underpaid work, precarious working conditions, gendered dynamics, unstable funding, and deep commitment to community as defining realities of the sector[5]. Governments often reject workforce recruitment and retention as legitimate goals when funding

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[1] Gray, T. R., Ability New Brunswick & New Brunswick Association for Community Living. (2021). *Economic contribution of the community sector in New Brunswick: A summary report*. Ability New Brunswick. https://www.abilitynb.ca/wp-content/uploads/2021/06/Tacit-Elements-Inc-AbilityNB-Non-profit-impact-summary-report-FINAL.pdf

[2] Statistics Canada. Table 36-10-0617-01 Employment in non-profit institutions by sub-sector (x 1,000) DOI: https://doi.org/10.25318/3610061701-eng

[3] Statistics Canada. Table 36-10-0616-01 Gross domestic product (GDP) of non-profit institutions by sub-sector (x 1,000,000)DOI: https://doi.org/10.25318/3610061601-eng

[4] Vantage Point (2026). Funding What Works: Strengthening BC's Non-Profit Sector Through Multi-Year and Core Funding. BC Non-Profit Network. Retrieved from: https://thevantagepoint.ca/wp-content/uploads/2026/01/funding-what-works-strengthening-bcs-non-profit-sector-through-multi-year-and-core-funding.pdf

[5] New Brunswick Coalition for Pay Equity (2026). Op. Cit.

non-profits, even as government acknowledges the link between workforce retention and success in its own programs.

If we want better outcomes, we need to redesign the relationship.

- Recognizing NGOs as co-providers of public services, not secondary supports;
- Understanding, appreciating, and promoting public knowledge about the important economic impact NGOs have within the province;
- Funding outcomes, not activities, with multi-year contracts tied to community-defined results;
- Streamlining reporting and procurement, reducing administrative burden so that resources reach people, not languish in the filling out of forms; and
- Building shared infrastructure for data, evaluation, and innovation.

This transformation will not happen by policy statements alone. It requires structural action, coordinated leadership through a dedicated government department for the non-profit sector, through new financing tools, like social entrepreneurship contracts and results-based contracts, and via a cultural shift toward partnership.

Before we turn to those enabling mechanisms, this section outlines three immediate action items that emerged from our province-wide consultation: partnership, measurement and sustainability.

Action 1 – Creating True Partnerships

Across our consultations, one message rang out: the relationship between government and NGOs needs a reset. Frontline leaders described relationships characterized by compliance rather than collaboration. Too often, conversations focus on whether organizations have filled out the right paperwork instead of whether people's lives have actually improved.

True partnership requires a new social contract built on three pillars: **trust, shared power, and joint accountability.**

1. Trust means that government recognizes NGOs as experts in community engagement and innovation, not merely as service vendors.
2. Shared power means NGOs are involved early in policy design, not only after priorities have been set. They are also granted autonomy within the delivery of the service after the contract has been signed.
3. Joint accountability means results are co-defined and co-measured, with both parties recognized as stakeholders responsible for learning and adapting.

During consultations, participants offered tangible examples of what this could look like:

- The creation of shared policy tables, starting with focused areas such as youth transitioning out of care, older adults seeking to remain at home and within communities, school and community supports for at-risk youth, transitions from social assistance to work, and transitions into housing. NGOs and government should hold forums where they can co-develop program criteria and Social Entrepreneurship Contracts;
- The integration of local-area service teams combining frontline public sector employees, like social workers and teachers, with outreach staff and community organizations; and
- The adoption of standardized funding agreements, communication points, and professional development across departments to support collaboration with the non-profit sector.

These steps reimagine government's relationship with the non-profit sector, creating a system where the non-profit sector is not a stakeholder seeking funding but an active partner in delivering services for those in need. New Brunswick can transform government's role from funder to facilitator, enabling community-based systems that deliver impact faster, smarter, and closer to where people are.

Action 2 – Redefining Success

Currently, many government contracts measure inputs, but not results. We may ask how many people attended workshops, but not whether workshop participants went on to better lives. We may ask how many meals were served, but not how many people found housing or how many families escaped poverty. We may ask how many children attended a session, but not whether their literacy skills improved.

Frontline organizations have long argued that this approach rewards process, not progress. One youth worker put it bluntly: "*We can fill out 10 pages of forms showing what we did, but none of them ask if the young person is safer, healthier, or more hopeful*".

Redefining success means shifting from *activity-based measurement* to *outcome-based accountability*.

Key principles include:

- Result-based frameworks developed collaboratively with NGOs, together helping to define meaningful indicators;
- Flexible funding that targets results within defined populations, rather than continually regulating processes or forcing rigid bureaucratic rules onto community-focused solutions; and
- Shared data systems that enable real-time learning and collaboration, not just annual audits.

This shift requires trust and training on both sides. NGOs need tools and capacity for evaluation; government staff need training in results-based contracting and adaptive management. Internationally, this approach is already working: in Europe, Canada, and Australia, governments have moved toward "commissioning for outcomes". The details change, but essentially these processes identify targeted populations and fund social results rather than predefined services.

The following are examples.

- In Manitoba, government identified populations of justice-involved youth and created arrangements to share the benefits of savings gained from reducing recidivism with community groups who took on working with specific groups of youth.
- In Australia, the New South Wales government used social impact bonds to challenge community groups to support families in ensuring that children in care could return home with intensive interventions. The results of the Newpin Social Benefit program would realize a 61% success rate of reuniting families of children taken into care, which was a vast improvement over the ~20% rate government achieved alone.
- In Chicago, the state government posted a $17 million social impact bond designed to support community organizations in increasing kindergarten readiness for children from low-income families, with savings to be gained through improved academic performance and decreased need for supports in later grades. Launched in 2014, the program was successful in increasing kindergarten readiness and realizing investment, and data indicate benefits of the program extend into adulthood.

By redefining success, New Brunswick can replace compliance with collaboration, creating a culture that values learning, evidence, and impact.

Action 3 – Building for Sustainability

The non-profit sector cannot deliver essential services on unstable ground. Yet most organizations in New Brunswick operate year-to-year, with unpredictable renewals and frozen core funding that erodes their capacity to plan or retain staff. Many of the NGO leaders who participated in the consultation shared stories of proven programs that languish as a "pilot" for five-plus years.

This instability has cascading effects: skilled workers leave for government or private roles, continuity is lost, and innovative programs with proven impact are forced to spend precious time chasing new grants to continue their work. Sustainability cannot be limited to program continuity; it must include the sustainability of the workforce itself. In recent New Brunswick sector research, only 3% of survey respondents reported

that their salary completely covered their basic needs, and workers described taking second jobs, relying on family or partners, or using food banks while doing work intended to support people in crisis[6].

To build sustainability, three changes are critical:

1. Using structured social funding arrangements that grow towards multi-year funding agreements which align with government budget cycles, giving NGOs the sustainability and stability to plan, invest, and recruit/retain qualified staff;
2. Indexing core funding to real-world pressures such as inflation, community need, and population change, thus ensuring that essential programs can keep pace with demand; and
3. Adopting a shared workforce strategy that recognizes the importance of social service providers, whether they work for government or community organizations, to address wages, training, and recruitment across the community-care continuum.

This action item is consistent with recent New Brunswick sector research calling for long-term, stable core funding rather than project-based funding, with funding models that support equitable wages and allow organizations to adapt to evolving community needs[7].

This is not about creating dependency: it's about building stable platforming for social service provision. Predictable funding allows NGOs to focus on improving outcomes rather than surviving fiscal uncertainty. Sustainability also means reducing duplication – many NGOs spend hundreds of hours each year applying to multiple departments for overlapping grants. A unified strategy with a specialized department could standardize these processes and allow NGOs to focus on service delivery, not administration.

When organizations are stable, communities are stable, and when communities are stable, outcomes improve across the system.

These three actions – partnership, redefined success, and sustainability – form the foundation of a modern social system. But to make them real, Government must invest in the infrastructure to enable the necessary changes around how it organizes, funds, and measures its collaboration with the sector. This requires infrastructure: a Non-Profit Opportunities Unit to lead coordination, support for a body run by participating NGOs to co-ordinate negotiations with government and to provide support to NGO partners, and financial innovation through social entrepreneurship contracts. These are the tools that will operationalize the vision.

[6] New Brunswick Coalition for Pay Equity. Op. Cit.
[7] Ibid.

What is needed is a new covenant – we can only ask the non-profit sector for more results if government provides stability.

The consultations made one point resoundingly clear: the system's structure is the problem. Non-profits and community organizations do not lack ideas, dedication, or skill. What they lack is a coordinated, predictable framework within which they can work.

Currently, community organizations must navigate a maze of separate funding streams and reporting systems across multiple government departments, each with its own timelines, formats, and requirements. Funding programs are often wildly divergent in process, paperwork, and predictability. A single NGO might report to four or five departments, none of which communicate with one another.

Government often complains of duplication among NGOs; however, government's own labyrinthine systems incentivize the creation of silos. Most NGOs are forced by the lack of government collaboration to accept duplication within their relationship with government funders. One Executive Director described it as "*death by a thousand quarterly reports*". NGOs must often develop expertise in mastering byzantine grant processes before they can innovate service delivery.

To move forward, New Brunswick needs a single institutional home: a structure capable of supporting NGO collaboration, simplified funding, and innovation facilitation. That structure would be the Non-Profit Opportunities Unit.

What Would a Non-Profit Opportunities Unit Look Like?

At the centre, government would identify social priorities. An opening list might include current priorities such as:

- Increasing employment and educational participation among youth transitioning out of care;
- Ensuring that more older adults are able to stay at home and within the community;
- Supporting academic success and kindergarten readiness for at-risk youth;
- Supporting transitions from social assistance to work; and
- Supporting transitions into housing for families and individuals experiencing homelessness or housing instability.

Other examples that governments commonly adopt for community action strategies include:

- Prevention for youth at-risk of mental health crises;
- Reduction of recidivism for individuals who have been involved in the justice system;
- Reuniting children in care with families by increasing family stability;
- Increasing school attendance and high school completion for teens with behavioural issues; and
- Reducing emergency room visits and health emergencies among vulnerable populations.

A Non-Profit Opportunities Unit, whether free-standing or integrated with an existing governmental department, would be charged with coordinating the relationship between the province and its community partners. Its purpose is to make partnership possible, by reducing bureaucratic red tape, aligning goals, and supporting outcome-based innovation.

The Unit's founding mandate should include:

- Coordinating social policy objectives across departments to reduce administrative duplication and ensure that community programs align with shared outcomes;
- Consolidating grant and procurement systems into a single, accessible framework for NGOs;
- Offering training, technical assistance, and evaluation support to non-profits and lead government departments seeking to adopt outcome-based and innovative funding models;
- Developing a shared data infrastructure and publishing best practice case studies to inform continuous improvement;

- Leading social finance innovation by defining, enabling and administering social entrepreneurship contracts and outcome-based contracts (in partnership with Treasury Board and, where appropriate, community leads, municipalities, and/or private investors); and
- Considering shared workforce and infrastructure across the sector, including exploration of sector-wide health benefits, retirement supports, professional development, and common EDI policy frameworks for organizations too small to build these systems alone.

The Unit should consider working with standing committees of NGO leaders (as well as academic and private sector leaders with expertise in program design, data collection, and areas of policy focus), thus ensuring community input into decisions, evaluations, and funding priorities. This governance model would ensure shared responsibility, transparency, and co-design, which are key ingredients for credible and durable reform.

How Would Social Entrepreneurship Contracts Work?

The key principle with Social Entrepreneurship Contracts is outcome-based funding, where there are defined results among defined populations, using outcomes that deliver better quality of life for citizens, as well as future savings for government. There are a number of different formats for these contracts.

One example of such a Social Entrepreneurship tool is through the issuing of social entrepreneurship contracts which are generally ways for government to raise outside capital. Private investors put money upfront to support a social intervention that can deliver long-term savings through intensive short-term social investments. If the savings are realized through reduced future government expenses, those savings pay investors.

Under a Social Entrepreneurship Contract:

- Government issues a Request for Proposals for a specific social outcome (e.g., reducing homelessness, or keeping older adults safely at home longer),
- A non-profit or consortium designs and delivers a program to achieve that outcome,
- Private or philanthropic investors provide the upfront capital to implement the program,
- Government agrees to pay core programs, but enhanced dollars can be accessed only if predefined outcomes are achieved,
- If the program succeeds, government pays for the verified results (often with savings realized from reduced crisis costs), and investors recover their capital with a modest return.

This solves the problem raised in *How It All Broke*, where we noted that often government will skimp on supports on optional programs only to later find that the neglect causes a more expensive social problem that cannot be avoided.

For example, if spending on intensive supports for three-year-olds reduces the reliance on academic supports and behaviour interventions for the same children when they are twelve, that is a tangible saving. If providing housing and support to vulnerable populations reduces hospital admissions and emergency room visits, that is a saving. If supporting an individual after release from incarceration means they do not reoffend, that is a saving.

Often government pays more long-term because it cannot find or justify the short-term expenditure. Social entrepreneurship contracts address the short-term problem.

However, seeking private investors to drive social reform raises a number of issues. It should be noted that the quest for private investment is **not** a necessary condition of this process. After all, government funds physical infrastructure and capital through its own borrowing and does not require a public-private partnership to do so. Indeed, New Brunswick's experience with so-called P3s did not necessarily deliver savings. The Department of Finance and Treasury Board could design accounting mechanisms to identify funds used to invest in intensive short-term social spending to be repaid in future budgets through savings. The existence of defined structures, real accountability for departments, and costed savings would address some of the traditional concerns about deficit spending: namely, that the appearance of uncontrolled structural spending may spook investors and drive up borrowing costs.

The same objectives could be met through a Social Entrepreneurship Contract, which would follow roughly the same cycle but with public sector funding and leadership.

- Government issues a Request for Proposals for a specific social outcome (for example, reducing homelessness or keeping older adults safely at home longer);
- A non-profit or consortium designs a program to meet the proposal with a defined population or identified region;
- The Non-Profit Opportunities Unit, with the counsel of a committee of NGO, business, academic and municipal leaders, selects proposals to fund to deliver services to achieve the goal;
- Government agrees to pay core programs, and enhances dollars when projects meet early defined outcomes;
- If the program succeeds, government reaps savings realized from reduced crisis and intervention costs, continues to fund the successful project, and puts the savings to debt reduction; and

- If the program does not meet targets, government terminates the funding in a timely manner and seeks improved proposals, reducing waste from interminable pilots that languish in limbo while not meeting timeline-linked proposed targets.

This model encourages innovation, accountability, and collaboration. It rewards prevention, rather than crisis management, freeing government to focus on strategy while NGOs and social entrepreneurs focus on delivery.

The Non-Profit Opportunities Unit would act as the central coordination hub for this process, defining priority populations, establishing evaluation frameworks, and supporting NGOs to prepare competitive bids for social outcome-based contracts.

Applied Example #1

Homelessness is one of New Brunswick's most urgent social challenges- one where the limits of program-based funding is painfully clear.

Imagine a Homelessness Reduction Social Outcome Contract coordinated through the new Unit:

- Goal – Achieve stable housing for chronically homeless individuals and reduce emergency shelter usage by 30% over three years in a given region.
- Lead NGO Consortium – Local housing agencies, mental health providers and employment supports, municipal agencies and other agencies who support the social determinants of health are engaged.
- Investors are secured (community foundations, private social finance funds etc.) Or, government invests siloed monies into the project, based upon the likelihood of future savings.
- Government measures reductions in shelter nights, emergency health service utilization, and justice involvement among the target population, with measurable improvements to housing stability and wellbeing.

If outcomes are met, government defines savings realized in emergency response, social and health care costs, reductions in year-over-year expenses, and invests savings towards debt reduction (or government pays investors, if the Social Impact Bond/Social Entrepreneurship Contract model is used).

We note that this model mirrors the Journey to Social Inclusion (J2SI) initiative established in Victoria, Australia[8]. J2SI started as an initiative through a single NGO and now collaborates across numerous NGOs, government departments, and governmental funding contracts. The program has, since its 2009 inception, achieved measurable reductions in chronic homelessness and improved wellbeing for long-term rough sleepers by combining intensive case management, stable housing access, and flexible funding.

It's a proven approach, one that could be piloted immediately in New Brunswick (appropriately scaled) through a Unit that understands and works with the non-profit sector, just as Opportunities New Brunswick supports the private sector.

Applied Example #2

Imagine a Long-Term Care Continuum Outcome Contract designed to help older adults remain safely at home longer, reducing premature admissions to nursing homes and hospital beds.

- Goals – Extend the average period of independent living by 18 months among identified older adults connected to a community organization.
- Lead Partner – Community organizations working with older adults, family caregiver networks, and local health authorities.
- Investors – Social finance intermediaries, health foundations, and private insurers with a prevention mandate.
- Government payment triggered – verified reduction in long-term care waitlist and alternative levels of care.

This approach shifts spending upstream, from institutional care to home-based prevention. It also promotes collaboration between community non-profits working more closely with older adults, health, and private sectors, leveraging each partner's strengths.

While the literature notes that outcome-based funding contracts are difficult over the continuum of long-term care due to system fragmentation and multiple silos, social impact bonds have been used in a targeted way to combat specific issues, such as loneliness and social isolation (Tel Aviv) and social prescribing (UK). Nursing Homes Without Walls or community senior navigation programs may be a targeted area for application of outcomes-based funding models in New Brunswick.

[8] Sacred Heart Mission (n.d.). *Journey to Social Inclusion (J2SI).* Retrieved from: https://www.sacredheartmission.org/service/housing-support/journey-to-social-inclusion/

Applied Example #3

In this scenario, no private investor funding is sought, and pathways to policy goal achievement are negotiated between government and an NGO partner. Based on success, the option for private or philanthropic investment remains open for future scaling of the program. The following example from Connecticut used a variation of the Social Impact Bond structure, called Outcome Rate Cards (ORC), to boost childhood health in Connecticut.

- Goal – support multigenerational outcome improvements for families qualifying as low income and to shift the Connecticut Office of Early Childhood towards a performance-based approach to home visitation services.
- Lead partners – Connecticut Office of Early Childhood and Social Finance, a national non-profit investment advisor.
- Provider engagement and metric selection – engaged with providers and the community to determine home visitation portfolio priorities and reviewed historical data to determine visiting benchmarks, policy priorities, and identify payment-linked outcomes.
- Payment system analysis – historical data used to understand baseline performance and establish payment terms. Providers received payments twice yearly based on outcomes achieved.
- Performance management – rate card performance tracked on an ongoing basis to monitor program performance and identify recommendations to increase achievement on metrics.
- Outcomes – 3,000 parents and caregivers received improved home visiting services. Rate cards link payment to metric achievement, encouraging providers to bring creative solutions to achieve goal metrics, and metrics can link to policy goals, for example in addition to supporting families with young children in general, to specifically supporting families with education and employment goals. Downstream outcomes lead to improvement for low-income family stability and improved social determinants of health.

The rate card system drives system change by rewarding financial incentives for achieving outcomes and strengthens the data feedback loop[9]. Here, Social Finance, a non-profit investment advisor, worked with the Connecticut Office of Early Childhood to determine which of its services would benefit from an Outcome Rate Card (ORC) arrangement. The home visit portfolio was selected as being a good fit due to flexible funding (both state and federal), evidence-based models, and policy goals. Here, existing providers of

[9] Social Finance (n.d.). Boosting Childhood Health in Connecticut: Public Sector Solutions, Children & Families. Retrieved from: https://socialfinance.org/work/boosting-childhood-health-in-connecticut/

services would, in exchange for achieving predefined metrics, receive bonus payments on top of contract fees.

Reducing Red Tape and Scaling Collaboration

A Unit dedicated to improving government's work with the non-profit sector will make it easier, not harder, for communities, government and the private sector to work together.

In practice, NGOs would apply for identified social issues through a unified portal managed by the Unit, rather than multiple departments. Agreements would be streamlined with standard templates reducing negotiation time. Reporting would be based on outcome accountability, meaning fewer administrative reports, but deeper evaluation focused on impact. Cross-sector partnership between community NGOs, private investors and government will help better investment in prevention and it also creates a reinvestment loop, meaning savings from the successful projects flow back into future innovation through the Unit's social investment fund.

By combining coordination with the use of Social Entrepreneurship Contracts, New Brunswick can create a modern, entrepreneurial public service culture. Once that values collaboration, outcome data and community partnership.

Learning from the Past

Every province has examples of well-intentioned initiatives that underperformed to achieve the broader impact they envisioned.

Two such programs in New Brunswick are the Economic and Social Inclusion Corporation (ESIC) and Living SJ, a government-funded coalition in Saint John. Both did good work at times and involved many talented people. Yet tangible results were less than envisioned. Because there is a danger that policymakers might draw the wrong conclusion from these programs, we want to be clear about the lesson we have drawn.

ESIC and Living SJ were not limited in impact because the non-profit sector is limited in what it can achieve. They had limited impact because government limited its integration with the projects. They fell victim to the same internalized, flawed view that government institutionally takes towards the non-profit sector – that funding is something that government *does* for non-profits, not a *means* for government to meet its own mandate.

ESIC grew out of the highly successful Poverty Reduction Initiative launched in 2008. That process did lead to reductions in the child poverty rate. It worked under a collaborative model, bringing together the business, non-profit and government sectors and people experiencing poverty. Its culminating event was a multi-day forum where all four groups sat as equals and hammered out a joint plan to lift people out of poverty. ESIC was founded as a means to continue that process through an arm's-length corporation that would have representatives from all the sectors, so that it could continue the model in years to come.

However, while there was best intent, ESIC was limited by a failure to replicate the intense role of senior government leaders in the Poverty Reduction Initiative. When that process unfolded, there were three co-chairs – a prominent leader from both the business and non-profit sectors, and the Minister of Social Development. The government representatives at the final summit included the Premier of the day, the Leader of the Opposition, the ministers of Education, Health, and Economic Development, the Attorney-General, and the session was chaired by the Minister of Social Development. Government was asked to make significant commitments as part of the plan, and the Premier and Leader of the Opposition signed the plan to signal to the bureaucracy that these were vital bipartisan commitments.

Indeed, the creation of ESIC was preceded by tangible government announcements of policies that would support the plan. Social assistance rates were raised, and policies were changed to allow longer periods of housing and childcare support for people leaving social assistance for entry-level work. Minimum wage was raised as a means of supporting these changes by making entry-level jobs pay better than social assistance, which was all part of eliminating the welfare trap. Expansions to housing, training, and childcare supports were announced with collaboration between business, civil society, and government, but government's financial and policy commitments were catalysts to this. Projects like community schools, early childhood supports, and experiential learning were scaled from successful local projects. When government scaled community school models that worked locally, it did so by announcing funding that allowed non-profits and school districts to scale the models that were supported, such as literacy mentor programs and entrepreneurial community schools.

ESIC certainly developed many good ideas by placing the same groups together, but it lacked that direct catalytic role for government. It never provided the kind of instant collaboration that comes from a premier and social development minister sitting at the table saying, in real time, "Yes! Government will support this if business and non-profits undertake these actions". As a result, its innovative ideas often sat in a queue and met with bureaucratic resistance or indifference, which then hurt the chances of developing momentum among community partners.

It is instructive that Saint John's very successful PALS program scaled quickly when its leaders and the then-Minister of Education met and developed a true social entrepreneurship contract – the government would fund smaller K-2 class sizes at six community schools and designate them for funding for a community school coordinator position IF the business community funded paid-time-off for mentors, funded extracurricular activities and breakfast programs, provided job experience programs for children, and expanded the literacy mentorship program. The result was huge gains in literacy rates and parental involvement. However, it could move quickly because a minister was empowered to make a deal and go right to Cabinet to deliver on the catalytic government policies and investments. ESIC was never given that direct policymaking capacity and struggled without it.

Living SJ began with enormous goodwill. It sought to unite community organizations, the private sector, and government around a shared vision of reducing poverty and improving outcomes for children and families. It was built on collaboration, data, and innovation, the same values that this report advocates for today.

Yet despite passionate leadership and meaningful local results, Living SJ struggled to achieve full provincial traction or sustained support. Its experience provides critical lessons for any new reform effort.

Why did a program, with so many advantages, fail to meet the benchmarks necessary to scale?

Again, Living SJ operated as a coalition, not a coordinated system aligned with government policy and program funding. Government funded the coalition but did not create a portal to align its policies. Without a formal mechanism inside government to align policy and funding, its recommendations often stalled in departmental silos. Even when there was enthusiasm, there was no minister-led, accountable structure to make cross-departmental action binding or coordinated. In short, it had influence, but no path to authority.

This lack of connection led to two other problems, namely that local strengths were celebrated but not scaled, and data was collected but not used to change government policy.

Living SJ still depended on short-term, project-based funding that required constant bids for renewal and negotiation.

Without secure, multi-year investment or formal government integration, its ability to scale beyond Saint John remained limited. The ability to quickly commit to government actions with the speed and certainty that make partners consider commitments was rarely there, and there was no way for government to signal that a model was supported and would offer resources to other communities seeking to adapt and use the same model.

Living SJ certainly developed valuable data insights, but those insights did not flow easily into government decision-making. There was no shared data platform or common evaluation framework that linked community outcomes to provincial policy. There was no easy mechanism to take numbers and have a moment where Cabinet says, "This must change, and here's what we are going to do about it". As a result, data never flowed into indicators that held bureaucracies accountable; bureaucracies never prioritized scaling successful models that moved those indicators, and partners never had a dependable initiative to support or join.

Why This Can Be Different

The structural stability of a Non-Profit Opportunities Unit could learn from and address these lost opportunities.

The proposed Unit, supported by the Executive Council Office and with statutory responsibilities, would have the authority to coordinate across departments and enforce common partnership standards. It could take Cabinet direction to identify results that must change, identify models that will receive government-wide support for scaling, and coordinate supportive government policy changes. It could operate in a way that makes the bureaucracy globally accountable for common outcomes and connect with the Executive Council Office's Social Policy Branch, as envisioned in *How It All Broke*.

It should also include advisory and grant oversight committees with community know-how and leadership to ensure that government priorities and community realities remain aligned. This dual structure – inside government but with community oversight – gives the Unit both legitimacy and leverage.

Ensuring Inclusion and Equity

The Unit's partnership framework must be designed to reach all community organizations through structured calls for proposals and a standard funding mechanism. It will be accessible beyond only those with political connections and/or prior visibility within the identified social issue.

This means:

- Open, transparent processes for NGO registration and funding eligibility,
- Regional representation to ensure voices from northern and rural areas are included,
- Clear equity standards ensuring Indigenous, Francophone, newcomer, and disability-serving organizations have equal access to resources and inclusion within decision-making.

Capacity-building for community organizations should also include support for basic organizational infrastructure: human resources policies, grievance procedures, workplace safety practices, and board training. Many smaller organizations are expected to deliver essential services without the administrative capacity needed to protect and support their own workers[10].

The Unit should also maintain a public registry of partnership agreements and performance outcomes, ensuring accountability to the full sector, not just to government.

Building Sustainable Financing

Social Entrepreneurship Contracts (however financed) and outcome-based funding provide a clear pathway to sustainability. By linking payment to verified results and leveraging private and philanthropic investment, this model allows successful projects to expand without constant reapplication or risking being paused, downgraded, or cancelled during political turnover.

The Unit, through ECO, can establish clear mechanisms to reinvest savings from successful Social Entrepreneurship Contracts into new prevention initiatives, or to realize savings that reduce debt and build capacity and credibility for future investments. This contributes to a self-sustaining cycle: as outcomes improve and crisis costs drop, new resources become available for early intervention. This model has both research and practical application supporting the proof of concept.

Using this model, since 2021-22 the state of Victoria in Australia, through Social Impact Investment (SII) contracts, has supported over $2.7 billion in early intervention investment by reinvesting savings from reduced acute service demand (e.g., hospitals and justice) back into prevention programs. The Early Intervention Investment Framework (EIIF), overseen by the Department of Treasury and Finance (DTF), was created in 2021 with the aim of improving outcomes for Victorian service users through "*timely and effective assistance and to reduce the growth of acute services expenditures of the government, which had been on the rise since 2010*"[11]. The DTF expects the framework will generate roughly $3 billion in benefits over the next decade, primarily by reducing demand for government services[12]. Noted is the need for the promotion and sustenance of a culture shift among leaders and across all government[13], but as this is now

[10] New Brunswick Coalition for Pay Equity (2026). Op. cit.
[11] OECD (2025, January 8). Victoria State Government's Early Intervention Investment Framework. Retrieved from: https://www.oecd.org/en/publications/well-being-knowledge-exchange-platform-kep_93d45d63-en/victoria-state-government-s-early-intervention-investment-framework_349cc7db-en.html
[12] Victoria Auditor-General's Office (n.d.). Investing in Early Intervention Programs. Retrieved from: https://www.audit.vic.gov.au/report/investing-early-intervention-programs
[13] Gibb, Ken (2025). Prevention innovation in Victoria, Australia may have lessons for UK housing. UK Collaborative Centre for Housing Evidence. Retrieved from: https://housingevidence.ac.uk/4652-2

the default manner that budgeting in Victoria is organized, and given the results seen since just 2021, clearly it is achievable.

This model provides a framework to build trust between NGOs and government by fostering consistency, to empower smaller organizations through shared tools and training, to leverage private investment in achieving public outcomes, and to ensure that successful innovations do not remain confined to a single community, creating a system that continuously learns, scales, and sustains its programs. The model also demands that government departments promote and foster relationships and accountability with NGOs as they collaborate in developing programs that offer credible, measurable outcomes and linked estimated savings.

It is important to note that the Journey to Social Inclusion initiative that was mentioned earlier receives funding through Social Impact Investment funding from the Victorian government, administered through Sacred Heart Mission. Since 2020, the J2SI (now in Phase 3 after a successful pilot and phases 1 and 2) has exceeded its target payments for all participant cohorts, including 90% of clients in stable housing who did not access crisis accommodation except in the case of family violence, and a 60% reduction in ‘hospital bed days’ compared to before entering the program.

An Action Plan for Real Change

The consultation process revealed powerful truths: government has an NGO funding system designed around program compliance, not human outcomes. We have courageous organizations solving crises daily, while trapped in short-term, transactional funding relationships. We have data that describe problems, but few structures that enable solutions.

This report is about moving from a charitable mindset to an essential services framework that recognizes the non-profit sector as an integral part of the public service ecosystem.

At the heart of every recommendation is the idea of shared power, decentralized delivery, and true partnerships.

True partnership is not consultation. It is co-design, co-delivery, and mutual accountability. For too long, NGOs have been treated as junior contractors, rather than equal partners. They sit at advisory tables without real influence while programs are designed elsewhere by people highly disconnected from the frontlines.

The new model proposed here restores balance by establishing structures that ensure NGOs are partners from the outset, not afterthoughts. This means:

- A single Non-Profit Opportunities Unit that coordinates policy, funding, and evaluation across departments for identified social outcomes,
- A permanent Community/Government Collaboration Council to maintain open dialogue, review proposals and monitor implementation,
- Uniform standards for communication, data-sharing, and reporting that will replace redundant paperwork with real-time coordination. The model recognizes that duplication of service is not within the NGO sector but is in how government engages with it. If anything, we need to leverage and engage more organizations that are striving towards the same outcomes.

Redefining Success

> "*We're asked to measure impact, while government measures inputs. The forms don't capture whether, through our support, a person became less socially isolated, developed better social skills, or reduced their visits to the ER. Instead, they ask whether the client secured a job. In many cases, they haven't achieved that yet, but their life has improved significantly… small, essential steps are required first*".

A system that tracks social outcomes can be achieved, but it requires a change in how things are done. This shift includes:

- Outcome-based funding that rewards results, not activity;
- Shared evaluation systems where both government and NGOs report against the same indicators;
- Community-level metrics that include wellbeing, stability, and connection, not just financial efficiency.

The Unit's shared outcomes platform will allow government and NGOs to see progress in real time, adjust strategies, and scale what works. Social Entrepreneurship Contracts exemplify this model: government pays for verified success, NGOs have flexibility to innovate, and private investors share the risk and reward of prevention. This approach transforms accountability from paperwork to performance.

Partnership and accountability are meaningless without stability. The current funding model keeps NGOs perpetually in survival mode, reapplying annually for the same programs, managing staff turnover, and struggling to maintain wages that reflect their expertise.

A sustainable system requires:

- Multi-year funding agreements tied to long-term outcomes;
- Pay equity for frontline staff, closing the wage gap between NGOs and the public sector;
- Capacity-building supports such as research, translation, and digital tools;
- Flexibility for innovation, allowing organizations to adapt and pilot new models.

When NGOs have stability, they stop fighting spot-fires and start problem-solving. They retain skilled workers, strengthen relationships, and build programs that last.

These three pillars require infrastructure to succeed, and that is the role the Non-Profit Opportunities Unit will undertake, serving as the central hub for NGO collaboration, training, and data-sharing. It will also oversee the Social Investment Fund and the Social Entrepreneurship portfolio, coordinating across government to align funding streams with shared outcomes. For this model to succeed, it must offer training for both NGOs and government staff in entrepreneurial government practices to help share in the responsibility of this change.

New Brunswick can use this infrastructure to invest in early intervention, reinvest savings from crisis reduction back into prevention, and strengthen community services while reducing pressure on hospitals, jails, and shelters. In this model, bureaucracy becomes the enabler, not the obstacle. Red tape is replaced by relationships and results.

Addressing Recent System Failures

Recent reports from the Advocate demonstrated the human cost of failed government systems. Even as the Department of Social Development says that it is straining under the costs of urgent and expensive services for older teens in severe crisis, the Department is failing miserably at getting programs designed to help children before they struggle to the children they are supposed to help. It is hard not to read of the fiscal problems that led to the "Children Cut First" report and not conclude that the operational problems exposed in the "Nobody's Problem" and "You Said Y.E.S., They Said No" reports play a role in creating the expensive crises. The Department of Social Development is likely struggling under the weight of its own repeated failures.

At the same time, other systems are suffering from the same issues. The Advocate noted in recent hearings before the Standing Committee on Social Policy that a review of files of young people who wound up in serious crisis showed a system that fails to intervene in time. The average age at which warning signs appear – diagnosis of a special need, being taken into care, early behavioural or learning delays – is age 7. The system's extension of services designed to help – integrated service delivery or a complex case designation – happens on average just after age 12. The escalation to a crisis – an arrest, being put on a partial day plan, a suicide attempt or critical mental health incident – happen on average just after age 13. Faced with a child in need, government generally dawdles for five years and starts to take action on the cusp of a crisis. Government spends five years coming up with reasons not to intervene and then starts throwing money at a major crisis.

These findings affirm what the Advocate suggested in *Wake Up Call* – that many of the struggles that schools are reporting with classroom inclusion stem from years of incompetent implementation by managers. The system is built to be skeptical of doing anything but the bare minimum when a small child has manageable struggles and then insists on extreme solutions when the predictable crisis arrives.

The same problems have revealed themselves in the areas of older adults and vulnerable adults. The *Death by System* report exposed the costs of a system which rewards slow and stingy testing of supports that might help an older adult stay in the community or at a less institutional facility, and then says it is struggling to find spaces for the older adults who need nursing homes. The Advocate has also noted the lack of integration and early supports in promoting independent living for people with disabilities. The system has numerous barriers to early support, ranging from exclusionary criteria that require people with one condition to be cut off for support with a second, to extraordinary red tape for home supports. The system also reports straining under the cost of services that become mandatory in a crisis, such as urgent care interventions.

This crisis – which is driving much of our structural fiscal deficit – should spur creative thinking. We would identify five social challenges that could be good areas for government to fund community organizations and social entrepreneurs to work with.

As noted by the Advocate in his Committee testimony, there are three critical times in a child's life when milestones must be met. Government is failing to move quickly in all three.

1. Children deserve to arrive at the kindergarten steps ready to learn and with their needs identified.
2. Children deserve to have stability and positive mentors in their lives as they move from childhood to adolescence, in the period between ages 10 and 13.
3. Children deserve to have stability in housing, educational planning and access to mentors and champions as they transition to adulthood, from ages 16 to 19.

These areas are ones where community organizations could play a huge role, and where solutions may differ greatly between communities. The birth-to-school journey can be supported by a network of family resource centres, public libraries, public spaces for play and appropriate assessments driven by trained early childhood educators. The journey to middle school needs family supports, access to recreation and experiential learning, mental health supports at the clinical and community level and positive mentorship. Transitions to adulthood require mentors, access to stable housing and other basic needs, mental health interventions and career planning.

A network of strong community organizations, supported by empowered local governments and a spirit of flexibility from the province, is the best way to meet the need as it exists. Barriers may differ between communities: a smaller community may have a strong volunteer base and more flexible responses but may need a transportation plan to cover long distances and an infrastructure plan to create robust public spaces. A larger city may have more structured community organizations but need mentors and experienced staff to co-ordinate. These three challenges are crying out to be tackled by creative communities where centralized bureaucracies have failed.

To these child-focused areas, we might add two more societal challenges.

1. Ensuring that older adults can lead connected and healthy lives in their communities as long as possible.
2. Ensuring that children with disabilities have a pathway to the most independent and fulfilling life possible, with proper planning, transitions and supports.

Government has the capacity to equalize funding, define goals, and lead with research and analysis on the populations and risk factors most in need of attention. The solutions should come from, and be tailored to, communities. Given the urgency of the problem and the stubbornness of government failures, we would suggest that social entrepreneurship is a leap of faith worth taking.

Recommendations

Recommendation 1

Establish a Non-Profit Opportunities and Social Innovation Unit within government with Cabinet-level oversight.

Create a unified, accountable structure to manage and strengthen government NGO collaboration. Key actions include:

- Coordinate all government, NGO funding agreements and reporting standards for identified social issues,
- Develop partnership guidelines embedding NGOs as co-designers of services,
- Establish ongoing collaboration tables and standardized communication tools.

In order to fully establish this new partnership mechanism, government should also facilitate and support a central NGO-led body that can support the NGO sector within government. Experience has shown that when government subsumes NGOs into an overarching government structure, the result is more government bureaucracy, not less. An NGO-led body that remains outside government should be funded and recognized as a full partner in this initiative, with responsibilities for supporting NGOs in bidding upon and negotiating for services, training frontline NGO staff, establishing and measuring outcome indicators, and providing advice to governments and NGOs on necessary labour market standards such as competitive and equitable salaries and working conditions.

Recommendation 2

Develop a shared outcome platform and outcome-based contracting framework and launch Social Entrepreneurship Contracts, focused on identified social issues, beginning with a few priority areas, to be expanded as experience and interest grows (e.g., key examples of priority prevention areas from Victoria, Australia include: preventing family violence and support for victim-survivors, supporting children at risk of homelessness or violence, youth crime prevention and support for a stable youth justice system, and student wellbeing and health in schools).

- Develop training modules for NGOs and government staff on outcome contracting,
- Integrate NGO data (community scans, needs assessments) into policy planning,
- Publish annual results transparently through the platform.

Recommendation 3

Establish a Long-Term Funding and workforce sustainability framework.

- Move to multi-year funding agreements reflecting long-term social goals,
- Implement fair compensation mechanisms for frontline NGO workers,
- Fund organizational capacity (research, translation, technology, evaluation),
- Simplify reporting and consolidate grant applications into one transparent process,
- Create incentives for collaboration across organizations through shared outcomes.

Recommendation 4

Implement continuous learning and evaluation

- Establish partnerships with universities for evaluation and applied research,
- Publish an annual “State of the Sector” report measuring impact, progress, and lessons learned.

Conclusion

This report began with a simple story: two youth, a bus ticket, and a system that couldn't act fast enough. This is not just an anecdote – it is an example of social program structures that are rules-based and unresponsive.

We have proposed a mechanism that can renew our social safety net. It has never been more critical.

Even as we write this, there is news that government is once again trotting out the same tired budget process – asking departments to provide scenarios for cuts of 10% and 15%, all so that Cabinet can choose the least destructive ways to downsize the status quo.

Once again, New Brunswick is engaged in the same destructive cycle – when times are good, we can spend without worrying about reform. Then, when deficits grow too large, we make short-term cuts that create long-term expenses.

Austerity without reform is doomed. Downsizing the status quo simply delivers diminishingly less effective future status quos. Sooner or later, some government is going to have to have the discipline and foresight to spend, but to spend for the purpose of defined results and future savings for which the people entrusted with the funds are actually accountable.

We aren't just decrying cuts. We are offering another way: a way through leadership and reform.

By reinventing the relationship between government and the non-profit sector, New Brunswick can move from crisis management to prevention, from bureaucracy to partnership, and from charity to essential service. The Non-Profit Opportunities Unit and Social Entrepreneurship Contract framework offer a roadmap for action – one that rewards outcomes, empowers communities, and sustains innovation.

We have everything we need: the experience, the will, and the stories that remind us why this work matters.

The choice now is to act – not tomorrow, but today – to build a system that is accountable, responsive, and humane. A system that puts people, not programs, at its centre.

A system that knows when it's time to just buy the damn bus ticket and get the kids a home.

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