The Nonprofit Sector Is a Major Employer and Contributes to a Strong U.S. Economy

- America’s 1.4 million nonprofits employ 11.4 million workers, approximately 10.3% of the private sector workforce, and pay them more than $532 billion annually in wages.\(^1\)
- The nonprofit sector is the third largest workforce in the country behind only the retail and manufacturing industries.\(^2\)
- Nonprofits contributed an estimated $905.9 billion to the national economy in 2013 and reported $5.71 trillion in assets, compared to the $16.8 trillion U.S. GDP.\(^3\)
- Total charitable giving in the United States was $373.25 billion in 2015, $264.58 billion of which came from individuals. \(^4\)
- Foundations contributed over $58.46 billion in 2015 to community programs and projects.\(^5\)
- More than two-thirds of taxpayers give to charitable causes each year.\(^6\)

### Employment by Service Area

<table>
<thead>
<tr>
<th>Employment by Service Area(^7)</th>
<th>% of Nonprofit Employment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Healthcare</td>
<td>57%</td>
</tr>
<tr>
<td>Education</td>
<td>15%</td>
</tr>
<tr>
<td>Social Assistance</td>
<td>13%</td>
</tr>
<tr>
<td>Civic Associations</td>
<td>7%</td>
</tr>
<tr>
<td>Other</td>
<td>4%</td>
</tr>
<tr>
<td>Arts</td>
<td>3%</td>
</tr>
<tr>
<td>Professional Services</td>
<td>2%</td>
</tr>
</tbody>
</table>

Government Counts on Nonprofits to Deliver Critical Services in American Communities

- FEMA depends on social-service nonprofits like the American Red Cross and Salvation Army to provide mass care and other emergency services when disasters strike.
- Goodwill Industries® invests more than $3 billion in job training and employment service programs, matching nearly dollar-for-dollar federal funds for adult, youth and dislocated workers under the Workforce Investment Act.
- Nonprofit community health centers deliver health-care services to millions of Medicare and Medicaid recipients.
- Half of nonprofits with government grants match these public funds with private dollars, and the average cost shared by nonprofits was 44 percent. \(^8\)

Challenges Facing Nonprofits Today

- 76% of nonprofits saw an increase in demand for services in 2014.\(^9\)
- In 2014, 13% of social assistance and other human services nonprofits were forced to lay off employees, 9% froze or reduced salaries, and 6% reduced benefits.\(^10\)
- Thirty-two percent of nonprofits reported a decrease in government funding over the past three years.\(^11\)
- More than 52% of surveyed nonprofits were unable to meet community demand in 2014, and 71% said they would be unable to bridge the gap in 2015.\(^12\)
Sources


(5) Ibid. Note: This number does not include giving by corporate foundations, which is instead included in corporate giving and reached $18.45 billion in 2015.

(6) Ibid.


(10) Ibid.

(11) Ibid.

(12) Ibid.

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