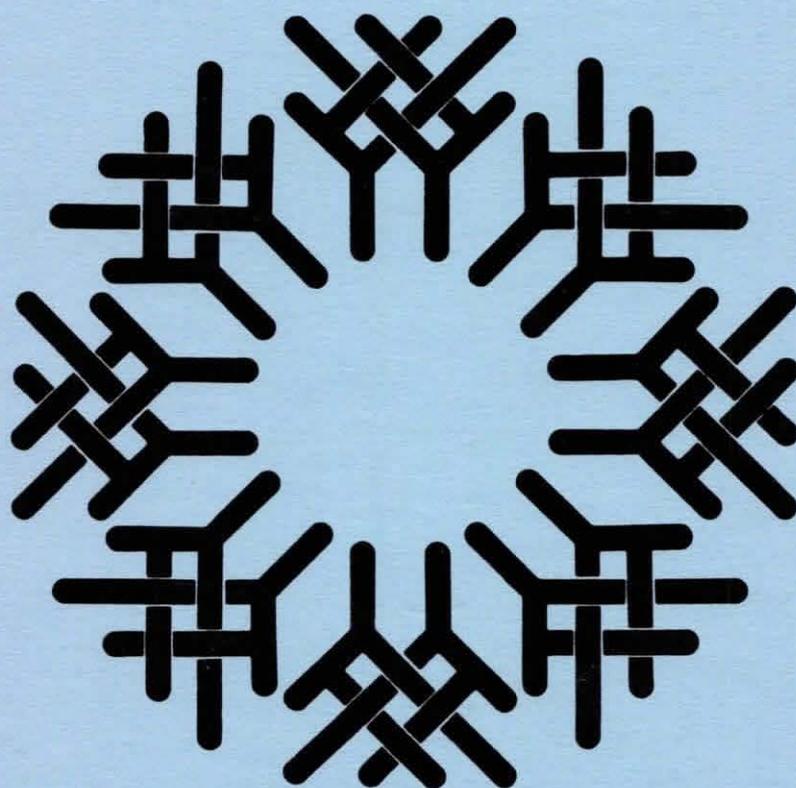


Canada Gives

Trends and Attitudes Towards
Charitable Giving and Voluntarism

1988



The Canadian Centre for Philanthropy



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Charitable Giving and Voluntarism

1988

Allan Arlett
Phelps Bell
Robert W. Thompson

Editor:
Julia Gorman

Layout and Design:
Alexis Kennedy

The Canadian Centre for Philanthropy

Canada Gives, 1988

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Toronto, Canada

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ISBN: 0-921295-11-1

Printed in Canada

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Preface

Canada is now entering the third decade of a continuing decline in giving. While there has been a slight increase in individual giving in relation to income in the last few years, the overall trend has been down. The end result is that important programs and services are being denied to key groups of individuals across Canada and abroad.

It was against this background that The Canadian Centre for Philanthropy was established as a registered charity in 1981. The Centre recognized that reversing the decline in giving would require not one or two initiatives but a series of actions on a sustained basis. Specifically, the Centre identified four program areas in which it felt progress was required to begin to reverse the decline seen in philanthropy:

- Collecting and Disseminating Information on Giving and Volunteerism
- Training and Developing Skills in Voluntary Sector Management
- Generating Research and Publications on Voluntary Sector Issues
- Informing the Public and the Government about the Role and Importance of Philanthropy (Raising Awareness)

Two recent studies, examining attitudes of Canadian individuals and corporations towards giving and volunteerism and a third study of historical trends in giving over the last 20 years are synopsized in this publication. These major reports were initiated by The Canadian Centre for Philanthropy, in keeping with its aim to generate research and publications about charitable sector issues.

Slowly but surely we are beginning to piece together the information that enables us to have a better understanding of the size and scope of the charitable sector in Canada. It can be argued that the lack of current and historical statistical information has, in a way, harmed charitable giving in Canada. The Decima study, for example, clearly shows that Canadians think they should be giving about 70% more than they actually are. The facts show, as Professor Robert Thompson of McMaster University documents in his study of giving trends from 1969 to 1985, that Canadians are giving much less than in the past relative to income. If Canadians had been aware of this, might they have behaved differently? Might there have been greater public pressure for government to introduce measures more favourable to charitable donations than those ultimately enacted?

Following are a few key facts which highlight the size of the sector and the level of involvement and support for its critical work from individual Canadians:

- There are now over 56,000 registered charities in Canada (organizations able to issue receipts for income tax purposes). Recently the number of registered charities has been growing by about 2,000 a year. Almost half of the total are religious organizations. The United Church of Canada, for example, has over 4,000 registered charities associated with it. Many national and provincial organizations have local and regional organizations affiliated with them, each of which has its own charitable registration number, e.g. local United Ways, YW and YMCA's, and Boy Scout troops.

- As will be seen from the information in the Decima study of attitudes towards giving and voluntarism, 59% of Canadians say they have been involved as volunteers in charitable organizations while 33% have done so in the past year. However, there is a significant shortfall between the current number of volunteers and what is needed. In a survey of over 900 charities which are Associates of The Canadian Centre for Philanthropy, responding organizations stated they needed a median number of 45 more volunteers than they have at present.
- The Decima study further reports that 89% of Canadians state that they gave to religious or non-religious organizations in the past year. However, the median level of donations was only \$70, of which \$42 was the median donation to non-religious organizations.
- While there is a remarkable similarity between Canada and the United States in the shares of charitable support coming from individuals, corporations and foundations, Canadians are much less generous overall. Total private sector support in Canada was \$3.5 billion in 1985, 0.72% of Gross Domestic Product (GDP). In the United States, private sector giving totalled 1.87% of GDP, 2.6 times the Canadian level.
- Each year the Institute of Donations and Public Affairs Research (IDPAR) conducts surveys for its members to identify the amount of money being sought by charities seeking private donations in excess of \$50,000. The 1988 report found this figure to be \$2.6 billion, a 56% increase over the comparable 1987 survey.
- As the information developed by Professor Thompson shows, Canada is now entering the third decade in which Canadians are giving significantly less, both as individuals and corporations, in relation to income, than they did in the past. While there has been a slight increase in individual giving in the last few years, the overall trend has been down. If this trend continues, charitable organizations will have to operate with less resources than are needed, or charge fees that are out of reach for many users. The end result will be that important and needed programs and services in the areas of health, education, social service, culture, research and religion will not be available.

There has long been an absence of current statistical information on attitudes and trends in giving time and money to philanthropic activity in Canada. Professor Samuel Martin, of the University of Western Ontario, was one of the first to address this in his 1975 book **Financing Humanistic Service** and again, a decade later, in **An Essential Grace**, both published by McLelland and Stewart. In 1984, the first national public opinion poll was undertaken by Gallup Canada titled **Financial Support for Non-Profit Organizations, a Study of the Behavior and Activities of Canadians**. This initiative owed much to the efforts of Ian Morrison, Executive Director of the Canadian Association for Adult Education, in his role then as chair of the Coalition of National Voluntary Organizations.

As the public demand for services provided by charitable organizations grows, and as, in turn, these organizations increase their call for public and private funds in support of their activities, there is a growing and clearer recognition of the need for statistical information on the sector.

The statistical information summarized here is a beginning point in terms of trying to increase our knowledge about attitudes and trends related to philanthropic activity in Canada. The Centre is planning to develop information of an increasingly comprehensive nature; we believe it is important to all Canadians that we better understand the state of philanthropy in this country.

The Canadian Centre for Philanthropy commissioned Professor Thompson to examine charitable giving information from a variety of federal government reports including taxation statistics and family expenditure surveys on individual giving. Data on corporate giving were developed from Statistics Canada taxation statistics.

The information from the two Decima studies is a summary of a major survey of individual and corporate attitudes toward giving and voluntarism that stands almost 27 centimetres (10 1/2 inches) high. It was initiated by the Centre thanks to the funding provided by 45 charities and foundations plus the Department of the Secretary of State.

While this edition of **Canada Gives** includes some information on foundation giving, the Centre is finalizing 1986 information on foundation giving in detail for publication in the Fall of 1988.

The material contained in this publication is a base from which to build and, as such, it has limitations. For example, direct comparisons made between Professor Thompson's report and the Decima information are not advisable. In the case of the Decima survey, there are limitations as to how accurately individuals remember the amount of money they donate or the time they give. Those who have done polling on giving behaviour tend to believe that individuals are more likely to overstate than understate the amount they give.

The limitations of the statistical information drawn from federal government sources should also be recognized. For the years 1961 through 1983, Canadians were entitled to claim the standard \$100 deduction on their tax returns regardless of whether or not they gave anything. As a result, the statistical summary of all personal income tax returns published annually by Revenue Canada shows only those donations which exceeded \$100 in each of those years. Professor Thompson also used the **Family Expenditure Survey** as input to his estimates.

Corporate taxation statistics also have limitations. Generally, it makes no difference to corporations whether they claim charitable donations as such on their tax returns or whether they claim these as business expenses instead. This has been the case for many years and it seems reasonable to assume that corporations are relatively consistent in the way in which they have reported donations in their returns.

One of the most prominent conclusions of the Decima survey and Professor Thompson's analysis is the difference between individual giving in Quebec and the rest of Canada. It should be remembered that under French rule the state and the church played a prime part in what became the Province of Quebec as we know it today. The Roman Catholic Church played an integral role in providing and financing health, education, and religious activity, and it in turn received financial support from the crown. Professor Martin writes in **Financing Humanistic Service** (McClelland & Stewart, 1975), "The goal of the king and his court was to establish a prosperous and strong colony in the New World. Therefore, to ensure its survival, the "general good" assumed priority over the individual, and the crown decided what was to become the general good."

Even after British rule replaced that of France, the role of the church continued. Of the period when colonial governments began to subsidize welfare routinely Martin writes, "in Lower Canada grants were given only to religious communities organized for philanthropic work while in Upper Canada the public hospitals and houses of industry receiving government support were managed by independent lords."

Clearly, Quebec has a different history and tradition in relation to the giving of both time and money to charitable causes. It should come as no surprise that there remains today a difference in attitudes and behavior towards giving in that province. For this reason, the summary of the Decima study of individual giving includes data from the findings in the province of Quebec as well as Canadian data.

No province has a record of giving and volunteering that cannot be improved upon, and there are many indications in the materials that follow that Canadians can and will give more money and time if properly motivated and asked. That challenge falls to those of us involved in the sector to work as individuals and organizations, separately and together, to improve giving in Canada, and through this process, to improve the lives of Canadians and others.

We are grateful to Professor Robert Thompson for the interest and dedication he brought to his task, to Allan Gregg and Michael Sullivan of Decima Research for their thoughtful work on the surveys and for their generosity in doing the work at cost, and to Phelps Bell for adapting his corporate background to the world of philanthropy. A special word of thanks should also go to Alexis Kennedy who, despite her many involvements in student government and studies, used her expertise in desktop publishing to help develop this publication. We are also grateful to the foundations listed below for assisting in funding Professor Thompson's statistical study.

Allan Arlett
President and C.E.O
The Canadian Centre for Philanthropy

Altru Foundation
Associated Medical Services Inc.
The Beaverbrook Canadian Foundation
E.W. Bickle Foundation
The Black Family Foundation
Charles R. Bronfman Foundation
The Burton Charitable Foundation
Citadel Charity Foundation
Donner Canadian Foundation
The J. William Horsey Foundation
Lorne and Evelyn Johnson Foundaiton
J.W. McConnell Family Foundation

McGeachy Charitable Foundation
McLean Foundation
The Medical Services Incorporated
The Gladys and Merrill Muttart Foundation
The Maurice Pollack Foundation
Carolyn Sifton Foundation Inc.
Tippet Foundation

Funding from the following organizations made possible the Decima Research Studies and was most appreciated.

Alzheimer Society of Canada
The General Synod of the Anglican Church of Canada
The Arthritis Society
Canadian Association for Adult Education
Canadian Cancer Society
Canadian Conference of the Arts
Canadian Cystic Fibrosis Foundation
Canadian Heart Foundation
Canadian Hospital Association
Canadian National Institute for the Blind (CNIB)
Canadian Red Cross, National Office
Canadian Rehabilitation Council for the Disabled
Centraide Montreal
Coalition of National Voluntary Organizations (NVO)
Community Charitable Counselling Service of Canada
Consumers Association of Canada
Department of the Secretary of State
Gordon Goldie Co. Ltd.
Hospital for Sick Children Foundation
Kidney Foundation of Canada
Laidlaw Foundation
J.W. McConnell Foundation Ind.
Missionaries de la Consolata (Canada)
Multiple Sclerosis Society
Muscular Dystrophy Association of Canada
Ontario Arts Council
The Salvation Army
Sharelife
St. John Ambulance, Metro Toronto Branch

Trillium Foundation
United Church of Canada
United Way/Centraide Canada
United Way of Burlington, Hamilton-Wentworth
United Way of Calgary
United Way of Greater Toronto
United Way of Halifax-Darmouth Metro Areas
United Way of Kitchener-Waterloo
United Way of the Lower Mainland
United Way of Peterborough & District
United Way of Ottawa-Carlton
United Way of St. Catharines & District
United Way of Winnipeg
World Vision Canada
YMCA National Council of Canada
York University - Voluntary Sector Management Program
YWCA National Headquarters

CHAPTER ONE

CHARITABLE GIVING IN CANADA

A statistical record of charitable organizations and donations
from 1969 to 1985.

Those who work in the voluntary sector in Canada have not in the past had comprehensive statistics concerning charitable donations available to them. The information compiled here is intended as a first step toward filling that gap.

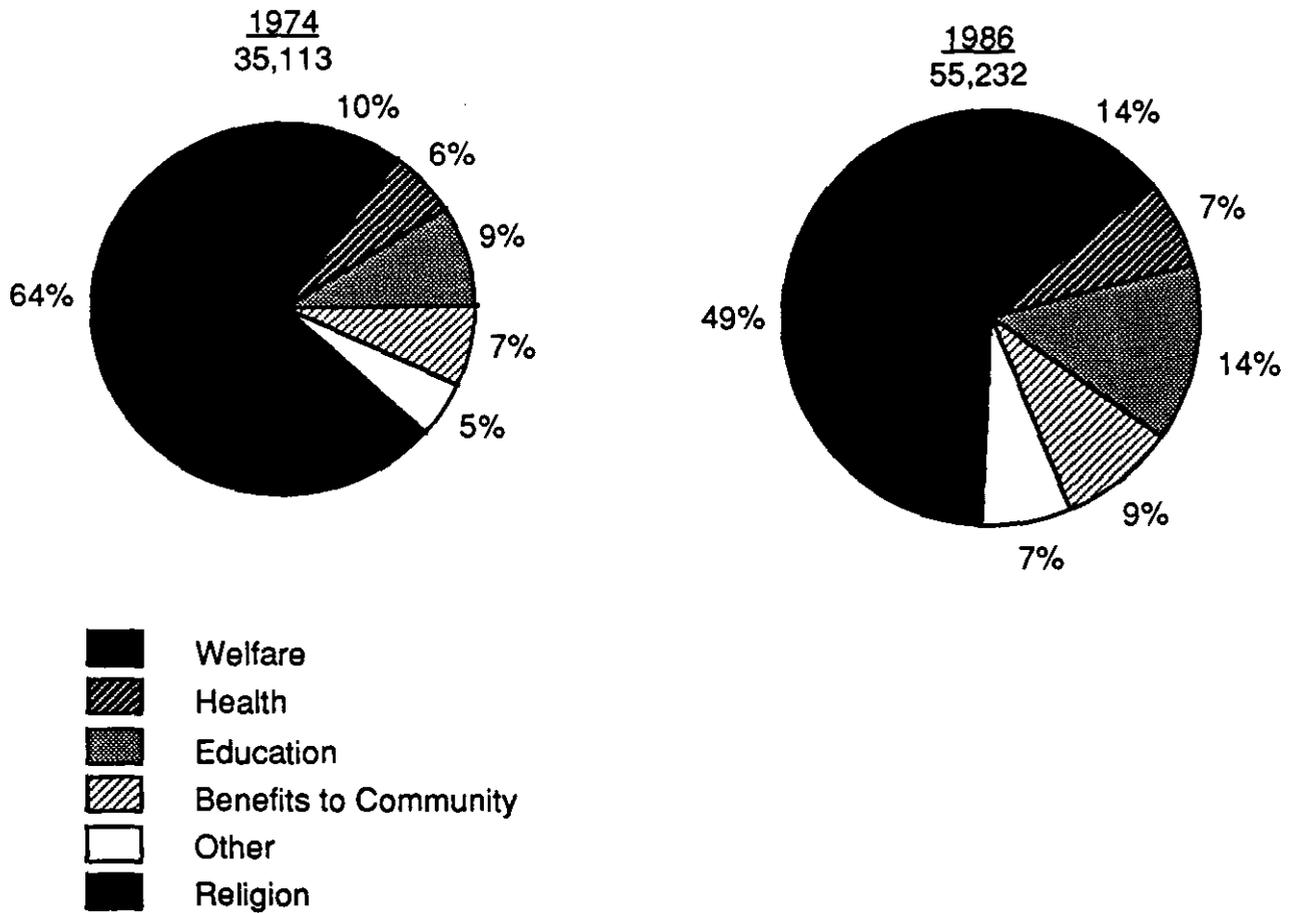
The statistical tables and related commentary included in this chapter are divided into six parts. Part I deals with the number of registered charities in Canada and how this number has grown since 1974. In Part II we show total donations by individuals, corporations, and foundations over the years 1969 - 1985. Various aspects of donations from individuals are presented in Part III. Donations from corporations and foundations are treated in Parts IV and V. Finally, in Part VI, we consider charitable donations in the United States and the United Kingdom and make some comparisons with the position in Canada. A Table of Contents for this chapter follows.

In the majority of cases the historical tables published here cover the period 1969 - 85. Where data is given for a single year it is usually 1985.

Professor Robert W. Thompson
Department of Economics
McMaster University
Hamilton, Ontario

Part I The Number of Registered Charities in Canada in Canada

Chart I-1 Registered Charities by Type of Activity



See Appendix - Table I-1 for detail and source.

Chart I-1

Purpose

To show the total number of registered charities in Canada and the number in each of the various areas of charitable activity over the period from 1974 (the earliest date for which consistent figures are available) to 1986.

Chart I-1 (continued)

Classification of Charities

Six types of charitable organizations are distinguished. The criteria for each and some examples follow:

Welfare : primarily concerned with the well-being of those who, because of age, illness, handicaps etc. cannot adequately care for themselves. Such organizations as the C.N.I.B., Children's Aid, Homes for the Aged, Family Service Bureaus, low cost housing, etc., fall into this category.

Health : includes organizations primarily engaged in providing or supporting health services. Examples are the Canadian Cancer Society, Canadian Heart Fund, Canadian Red Cross, dental clinics, Planned Parenthood, St. John Ambulance Society and the Victorian Order of Nurses. *Hospitals and other organizations which provide regular care for in-patients are excluded.*

Education Organizations : all voluntary organizations engaged in promoting or supporting the education process in Canada. Included in this category are Army Cadet Leagues, ballet companies, Boy Scouts and Girl Guides, choral societies, dance theatres, etc.. *It does not include universities, colleges and other teaching institutions.*

Religious Organizations : includes churches and other places of worship, convents, monasteries and organizations promoting missionary work and the propagation of faith. Types of organizations included are religious congregations, Y.M.C.A., Y.W.C.A., Y.M.H.A., and Y.W.H.A. The unit is considered to be the individual congregation, rather than the entire denomination.

Benefits to the Community Organizations : Activities involving charitable or voluntary activities designed to meet needs of the community which would not tend to be provided adequately by governmental activity or private enterprise. Examples of such organizations are libraries, museums, art galleries, zoological gardens, historical societies, arenas, community centres, etc.

Other Charitable Organizations : The principal organizations in these groups are service clubs and fraternal societies such as B'nai B'rith Lodges, Kiwanis Clubs, Knights of Columbus, Masonic Lodges and Canadian Amateur Athletic Associations.

Findings

The total number of registered charities increased steadily over the period 1974-86. The average annual rate of growth has been 3.8% a year. Organizations concerned with education have shown the most rapid rate of growth in their numbers while religious organizations, which at the most recent date (December 31, 1986) were just under 50% of the total, have had the slowest rate of growth.

Table I-2 Distribution of the Number of Charities
by Province¹, September, 1986

Province	Number of Registered Charities	Percentage Distribution	Population (1986) (000)	Number of Charities per 1,000 population
Newfoundland	836	1.5 %	580	1.44
Prince Edward Island	416	0.8	128	3.25
Nova Scotia	2,656	4.9	884	3.00
New Brunswick	2,040	3.7	721	2.83
Quebec	8,321	15.2	6,627	1.26
Ontario	20,932	38.4	9,182	2.28
Manitoba	3,354	6.1	1,079	3.11
Saskatchewan	4,203	7.7	1,021	4.12
Alberta	5,637	10.3	2,390	2.36
British Columbia	6,205	11.4	2,906	2.14
Total - All Provinces	54,600	100.0 %	25,518	2.12

¹ Statistics for the Yukon and the Northwest Territories are not available as of September, 1986. On the basis of figures for earlier dates they would amount to less than one-half of one percent of the national total.

Source: Revenue Canada, Registration Division

Table I-2

Purpose

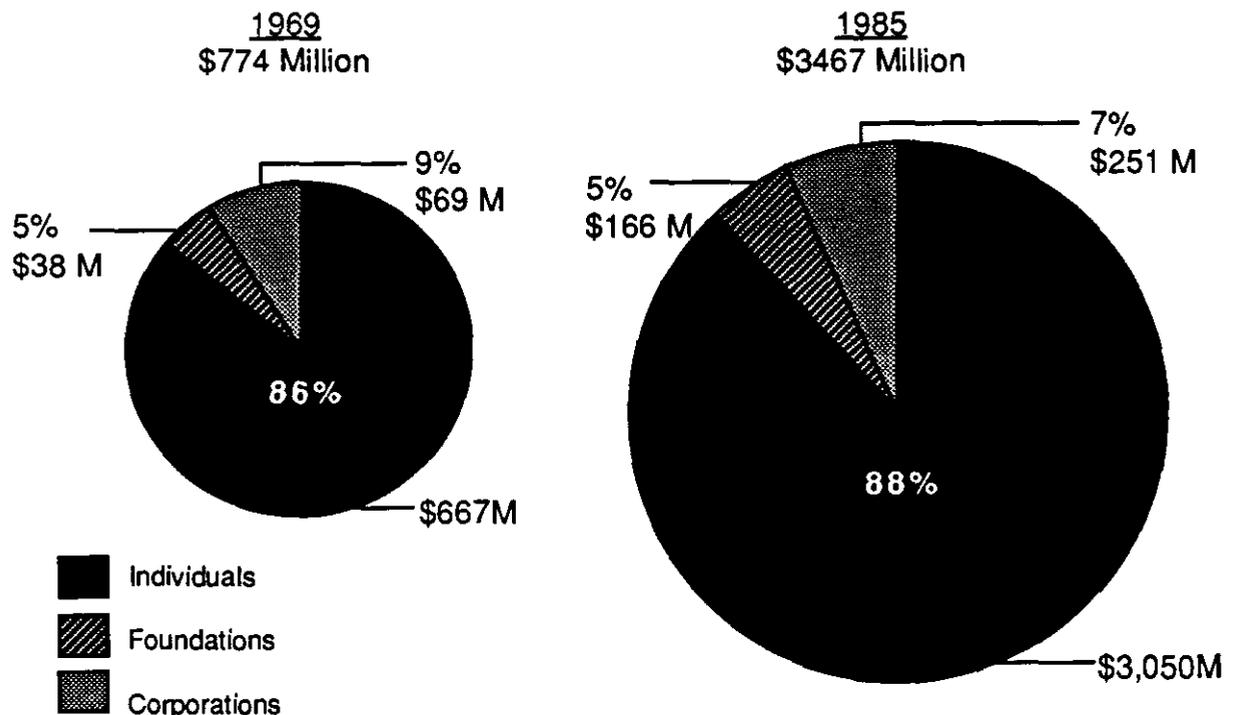
To show the number and percentage of registered charities in each of the provinces and how the number of charities compares with the provincial population in each case.

Findings

The Atlantic provinces, except for Newfoundland, have substantially higher ratios of charities to population and Quebec has a much lower ratio than the national average. The Prairie provinces are also considerably above the national average with Saskatchewan having the highest per capita figure of any province. British Columbia is almost exactly at the average for all ten provinces. Ontario is slightly above the average.

Part II Total Charitable Donations in Canada

Chart II-1 Charitable Donations in Canada



See Appendix - Table II-1 for detail and sources.

Chart II-1

Purpose

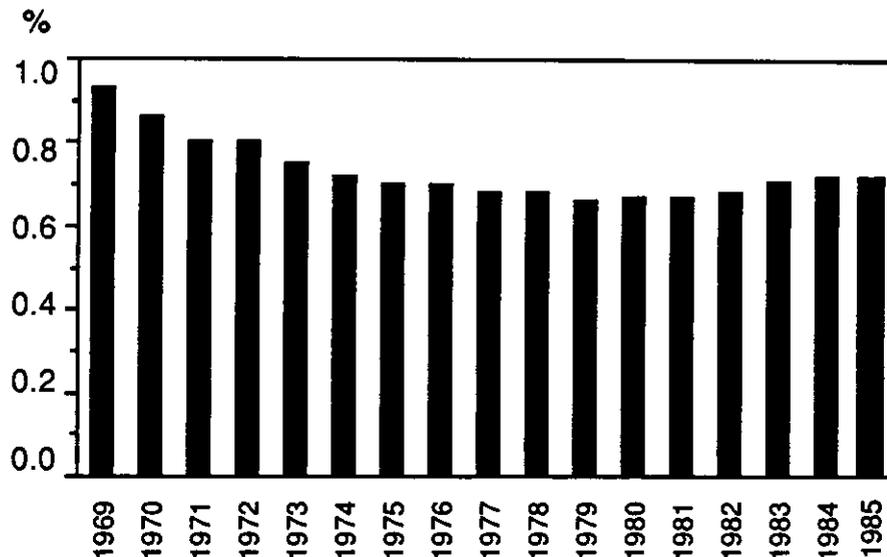
To show the amount of charitable donations from each of the major non-governmental sources - individuals, corporations and foundations - and the total donations in each year from these three sources.

Findings

Donations by individuals are much the largest source (between 83 and 88% of the total in every year). They also show more stability in their growth pattern than do corporate donations which are affected by the considerable fluctuations in corporate profits. The figures for foundations have a relatively larger margin of error for the years prior to 1983 but even in these earlier years they are thought to provide a realistic measure of the general trend and since they represent a small proportion (some 5%) of the total, they will not significantly distort the aggregate figures.

Over the period covered, there has been no trend toward major change in the relative importance of the three sources but, in percentage terms, individual givings are slightly more important than in the first years of the period and there has been a corresponding slight decline in the relative importance of funds from corporations and foundations.

Chart II-2 Charitable Donations as a Percentage of Gross Domestic Product*



See Appendix - Table II-2 for detail and sources.

Chart II-2

Purpose

It is reasonable to think that the number of dollars needed by the voluntary sector will vary with the number of people to be served and the level of costs ie. the population and the level of prices. These are two of the major influences on the size of the Gross Domestic Product and so a simple short-cut approach to the relative adequacy of total donations is to consider the fluctuations in donations expressed as a percentage of the G.D.P.. This is the purpose of Chart II-2, ie. to provide a simple measure of the fluctuations in the relative adequacy of total charitable donations from individuals, corporations and foundations.

Findings

Total donations from individuals, corporations and foundations expressed as a percentage of the G.D.P. fell consistently from 1969 to 1979 when they reached a low of 0.66% of the G.D.P.. Beginning in 1980, there has been a consistent but rather slow upward movement to 0.72% in 1984 and 1985. However, this proportion is still more than one-fifth below the proportion in 1969.

*The Gross Domestic Product (G.D.P.) measures the income generated in a specified period, eg. 1985, from the resources (human effort, physical capital equipment and natural resources) located in Canada, regardless of whether these resources are owned by residents of Canada or by non-residents. The G.D.P. is thus one way of measuring what, in non-technical terms, is sometimes referred to as the national income.

**Table II-3 Purchasing Power of Donations in Total
and Per Capita**

Year	Total Charitable Donations	Consumer Price Index	Purchasing Power of Total Donations	Population	Purchasing Power of Donations Per Capita
	(1) (Millions)	(2) (1985=100.0)	(3)	(4) (Thousands)	(5)
1969	\$774	31.2	\$2,481	21,001	\$118
1970	763	32.3	2,362	21,297	111
1971	776	33.2	2,337	21,568	108
1972	864	34.8	2,483	21,802	114
1973	956	37.5	2,549	22,093	115
1974	1,092	41.5	2,631	22,364	118
1975	1,204	46.0	2,901	22,697	128
1976	1,384	49.5	2,796	22,993	122
1977	1,474	53.4	2,760	23,273	119
1978	1,635	58.1	2,575	23,517	109
1979	1,830	63.5	2,882	23,747	121
1980	2,075	69.9	2,469	24,043	123
1981	2,378	78.7	3,022	24,342	124
1982	2,547	87.2	2,921	24,632	119
1983	2,871	92.2	3,114	24,885	125
1984	3,205	96.2	3,332	25,124	133
1985	3,467	100.0	3,467	25,360	137

Source: Government of Canada, Department of Finance, Quarterly Economic Review, Annual Reference Tables, June 1987, Tables 1 and 41

Table II-3

Purpose

To show the quantity of goods and services which could be purchased with the total amount of money donated and to show how much this would amount to per person in each year of the period.

Findings

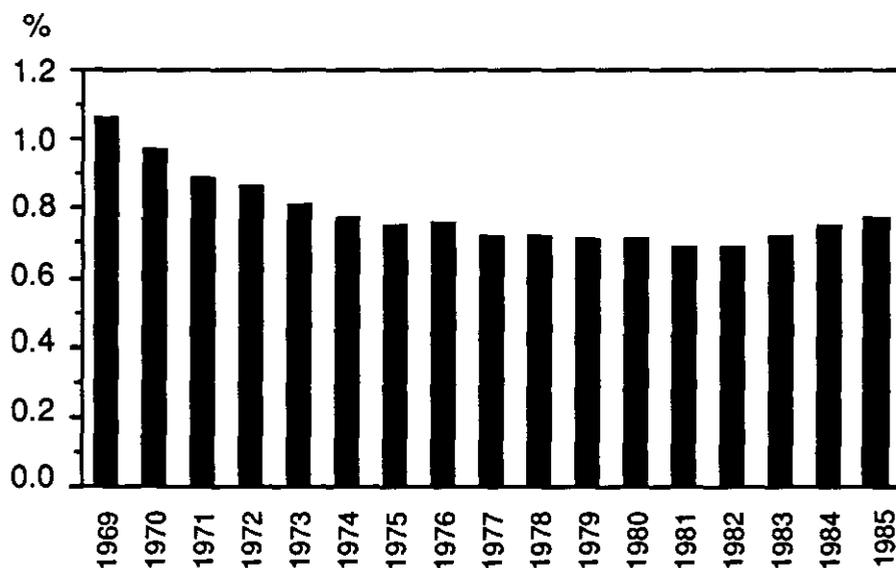
Total purchasing power of donations (column 3 above) shows a gradual upward trend although the figure declined in a number of individual years. The preliminary figure for 1985 was 40% above the figure for 1969.

Table II-3 (continued)

Because the population increased in every year (and by 1985 was 19.6 % above the figure for 1969) the increase in purchasing power per person is considerably smaller than the overall increase; the purchasing power of donations per capita grew from \$118 in 1969 to an estimated \$137 in 1985, an increase of only 16%. Within this gradual upward trend, there was an upward movement from 1971 to 1975, a considerable drop from 1975 to 1978 and a reasonably steady increase from 1978 to 1985.

Part III Charitable Donations by Individuals

Chart III-1 Charitable Donations by Individuals as a Percentage of Personal Income



See Appendix - Table III-1 for detail and sources.

Chart III-1

Purpose

To show total donations by individuals and how the amount of these has changed over the period 1969-1985 as a percentage of personal income before deductions for income taxes, social insurance contributions, and payments to government pension funds, etc..

Findings

The trend in personal donations expressed as a percentage of pre-tax personal income fell steadily from 1.06 % in 1969 to 0.69% in 1981 and 1982. Since then there has been a rather sluggish recovery. The estimated figure for 1985 is still only 0.76% ie. the same level as in 1976 and almost 30% below the proportion of income donated in 1969.

**Table III-2 Purchasing Power of Individual Donations
Per Capita**

Year	Total Individual Donations	Consumer Price Index	Purchasing Power of Individual Donations	Population	Purchasing Power of Donations Per Capita
	(Millions)	(1985=100.0)	(Millions)	(Thousands)	
1969	\$667	31.2	\$2,138	21,001	\$102
1970	663	32.3	2,053	21,297	96
1971	670	33.2	2,018	21,568	94
1972	733	34.8	2,106	21,802	97
1973	808	37.5	2,155	22,093	98
1974	910	41.5	2,193	22,364	98
1975	1,043	46.0	2,267	22,697	100
1976	1,196	49.5	2,416	22,993	105
1977	1,265	53.4	2,369	23,273	102
1978	1,406	58.1	2,420	23,517	103
1979	1,564	63.5	2,463	23,747	104
1980	1,770	69.9	2,532	24,043	105
1981	2,025	78.7	2,573	24,342	106
1982	2,348	87.2	2,693	24,632	109
1983	2,470	92.2	2,679	24,885	108
1984	2,800	96.2	2,911	25,124	116
1985	3,050	100.0	3,050	25,360	120

Sources: See sources for Table II-3

Table III-2

Purpose

To show the quantity of goods and services which could be purchased with the donations made by individuals and to show how much this would amount to per person in each year of the period.

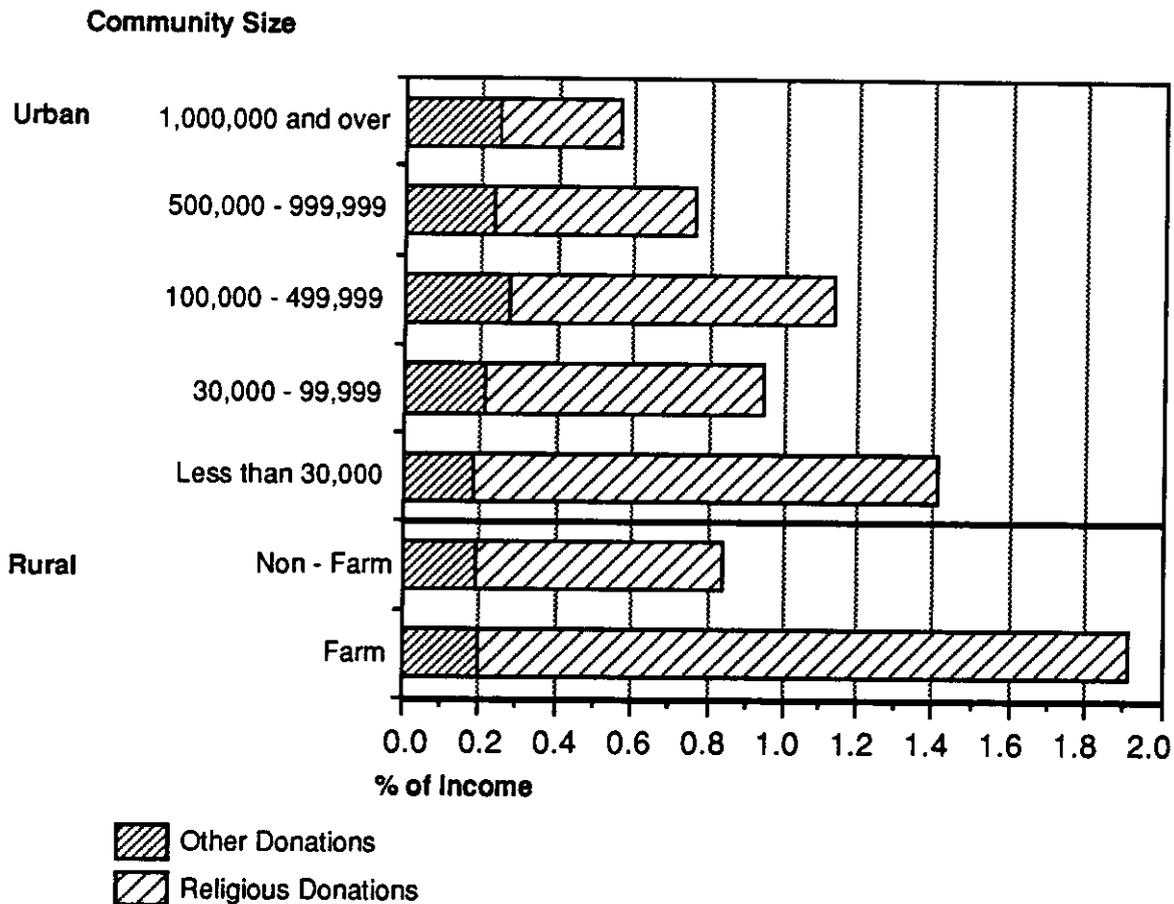
Findings

Total donations in current dollars by individuals rose in every year of the period except for a very slight decline (less than one percent) in 1970. What is more important, however, is the purchasing power of these donations. When individual donations are expressed in terms of the quantity of goods and services they would have purchased, we find the total purchasing power in 1974 was only 3% higher than in 1969. After 1974 there was a moderate upward trend and by 1985 purchasing power of total individual donations was 39% above the level of 1974 and 43% above that of 1969.

Table III-2 (continued)

It is also necessary to recognize that, with increasing population, the number of individuals and families to be served will increase and this requires us to consider the purchasing power per capita of individual donations ie. to divide the total purchasing power by the number of individuals in the population. When this is done we find that the figure of purchasing power per capita declined significantly after 1969 and did not recover the level of 1969 until 1976. Since that date there has been a general upward trend until, by 1985, the estimated figure for the per capita purchasing power of individual donations was 18% above the 1969 level.

**Chart III-3 Religious and Other Donations
by Size of Community - 1986**



See Appendix - Table III-3 for detail

Chart III-3

Purpose

This chart is designed to show how donations to religious organizations and donations to other types of charitable organizations, as a percentage of average income before tax, vary with the size of community.

Findings

In terms of the percentage of income donated in total, it is clear that the percentage increases as the size of community declines. Donations averaged 0.57% of income before tax in cities with a population of one million or more versus 1.91% in farm families. Almost all this variation was due to higher religious giving in the smaller communities. Giving to other charitable organizations declined slightly as community size decreased, but the range was very narrow.

Religious giving in 1986 made up 73% of total charitable donations nationally. As indicated, this percentage climbed as the community size decreased. Religious giving was 56% of total donations in cities of one million or more and 90% of total donations in farm families.

Table III-4 Donations by Region and Major Cities

Community	1986		1982		
	Average Income per Family	Number of Families ¹	Average Donations per Family	Average Donations per Family as % of Pre-tax Income	
	(\$)	(000)	(\$)	(%)	(%)
Atlantic Provinces					
St. John's (Nfld)	\$35,102	46	210	0.60	0.69
Charlottetown-Summerside	28,300	14	249	0.88	1.54
Halifax	37,806	101	266	0.70	0.73
Saint John (N.B.)	31,070	40	348	1.22	1.10
Other cities of 30,000+	32,120	111	1182	3.68	1.21
Communities of less than 30,000 ²	27,331	410	282	1.03	0.99
Atlantic Total	\$30,254	722	\$417	1.37%	0.97
Quebec					
Quebec City	34,702	212	90	0.26	0.33
Montreal	35,077	1,092	104	0.30	0.30
Other cities of 30,000+	29,899	437	102	0.34	0.27
Communities of less than 30,000 ²	29,802	613	272	0.91	0.34
Quebec Total	\$32,708	2,354	\$146	0.45%	0.31

Continued...

1 Includes unattached individuals.

2 Includes residents of rural areas as well as of smaller cities, towns and villages.

Source: Statistics Canada - Family Expenditure Survey Section

Table III-4 Donations by Region and Size of Community (Cont')

Community	1986		1982		
	Average Income per Family	Number of Families ¹	Average Donations per Family	Average Donations per Family as % of Pre-tax Income	
	(\$)	(000)	(\$)	(%)	(%)
Ontario					
Ottawa	45,668	215	295	0.65	0.72
Toronto	44,129	1,202	323	0.73	0.61
Thunder Bay	40,968	40	274	0.67	0.75
Other cities of 30,000 +	36,391	1,087	355	0.98	0.89
Communities of ² less than 30,000	32,837	653	409	1.25	0.89
Ontario Total	39,444	3,197	\$349	0.85%	0.76
Prairie Provinces					
Winnipeg	32,877	224	288	0.88	0.84
Regina	36,500	66	386	1.05	0.95
Saskatoon	35,538	69	401	1.13	1.10
Calgary	41,108	228	559	1.36	0.74
Edmonton	38,232	245	343	0.90	0.75
Other cities of 30,000 +	35,431	109	372	1.05	0.88
Communities of ² less than 30,000	32,371	579	530	1.64	1.03
Prairies Total	\$35,241	1,520	\$445	1.26%	0.90

Continued...

Table III-4 Donations by Region and Major Cities (Con't)

Community	1986			1982	
	Average Income per Family	Number of Families ¹	Average Donations per Family	Average Donations per Family as % of Pre-tax Income	
	(1982)	(000)	(\$)	(%)	(%)
British Columbia					
Vancouver	\$37,914	534	269	0.71	0.70
Victoria	32,884	96	356	1.08	0.88
Other cities of 30,000 +	33,066	175	412	1.25	0.72
Communities of ² less than 30,000	31,480	252	199	0.63	0.57
B.C. Total	\$35,121	1,057	\$284	0.81%	0.68
Total of all cities of 30,000+	37,523	6,345	288	0.77	0.64
Communities of ² less than 30,000	30,957	2,504	361	1.17	0.76

Table III-4

Purpose

This table has three related purposes. First, to show how average family income varies by region and how donations as a percentage of income vary from region to region. Second, we want to show how the proportion of family income donated varies by the size of community. Third, the table gives the figures for sixteen selected cities which include Ottawa and nine of the ten provincial capital cities (in New Brunswick, Saint John rather than Fredericton is the selected city).

Findings

First, in terms of the percentages of income donated, there is substantial variation by region. The Atlantic provinces, which have the lowest average income of any of the regions, have the

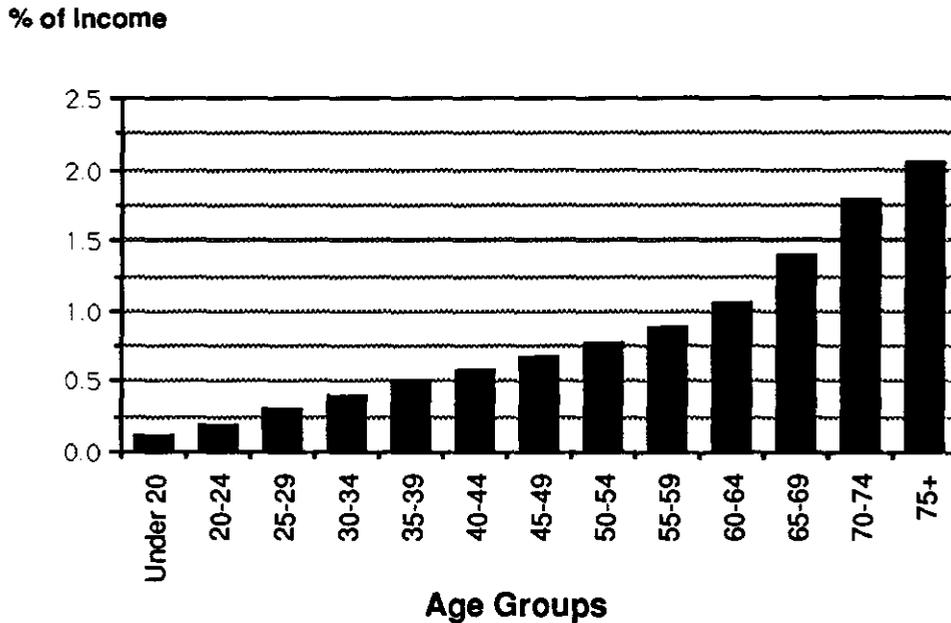
Table III-4 (continued)

highest percentage of donations. The Prairie provinces, with the second highest average family income of any region, have the second highest donations ratio. Quebec with the second lowest average family income (but it is still some 8% above the average for the Atlantic Provinces) has a donation percentage of 0.45%. Ontario and British Columbia have donation percentages which are not far from the national average. Every region shows a higher ratio of donations to income in 1986 than in 1982.

Second, the general rule, as seen in Chart III-3, is that the smaller the community the larger the percentage of donations. The communities with under 30,000 population gave a proportion of income that was higher than the regional average.

Third, we find, as would be expected in view of the evidence presented above, that there is considerable variation in the percentage for the sixteen cities. Thus, Saint John, Regina, Saskatoon, Calgary and Victoria all have donations which for 1986 exceed 1.00% of the average family income. The percentages for Montreal, Quebec City and other cities in Quebec with a population of at least 30,000 are less than 0.4%. For other selected cities the percentages fall in the 0.60 to 1.00% range.

Chart III-5 Charitable Donations as a Percentage of Income by Age Groups, 1985



See Appendix - Table III-5 for details

Chart III-5

Purpose

To determine how charitable donations per tax payer vary with age.

Findings

The average size of donations increased with age throughout the entire age range from those under 20 to those over 75 years of age. Average income increased up to a peak for the 50-54 age group and thereafter it declined. In percentage terms, donations related to average income increased consistently with age from 0.12% for those under 20 years of age to a high of 2.04% for those aged 75 or more.

Table III-6 Donations in Dollar Amount and as a Percentage of Income by Occupation, 1985

Occupation	Number ¹ (thousands)	Average Charitable Donations	Average Income Assessed	Average Donations as a Percentage of Average Income
Employees				
Teachers & Professors	220	\$317	\$36,638	0.87%
Employees of Institutions	818	182	23,459	0.78
Provincial Government Employees	350	155	27,666	0.56
Federal Government Employees	301	163	31,020	0.52
Unclassified Employees	310	97	18,856	0.51
Provincial Crown Corporation Employees	144	164	34,156	0.48
Municipal Government Employees	531	136	28,338	0.48
Employees of Businesses	5,779	110	25,167	0.44
Federal Crown Corporation Employees	193	135	32,296	0.42
Armed Forces	83	73	28,603	0.25
TOTAL	8,727	128	25,905	0.49
Farmers	137	454	24,734	1.83
Fishermen	30	94	19,416	0.49

CONTINUED ...

¹ Includes only those who have taxable income. Those without taxable income would, in most cases, have no very strong motive for reporting their charitable donations

Source: Revenue Canada, Taxation Statistics 1987 Edition
Table 3A Taxable Returns by Occupation

Table III-6 Donations in Dollar Amount and as a Percentage of Income by Occupation, 1985 (continued)

Occupation	Number ¹ (thousands)	Average Charitable Donations	Average Income Assessed	Average Donations as a Percentage of Average Income
Self-Employed Professionals				
Self-Employed Accountants	11	\$1,261	\$63,762	1.98%
Self-Employed Medical Doctors & Surgeons	34	1,506	104,055	1.45
Self-Employed Lawyers & Notaries	19	992	72,456	1.37
Self-Employed Dentists	8	1,196	87,837	1.36
Other Self-Employed Professionals	45	380	31,619	1.20
Self-Employed Architects & Engineers	4	487	48,608	1.00
Self-Employed Artists & Entertainers	12	149	20,671	0.72
TOTAL	134	860	61,637	1.40
Self-Employed Salesmen	26	271	25,044	1.08

CONTINUED ...

Table III-6 Donations in Dollar Amount and as a Percentage of Income by Occupation, 1985 (continued)

Occupation	Number ¹ (thousands)	Average Charitable Donations	Average Income Assessed	Average Donations as a Percentage of Average Income
Business Proprietors				
Proprietors of Other Financial Businesses	2	\$881	\$52,367	1.68%
Real Estate Operators	1	633	39,605	1.60
Insurance Operators	2	385	30,914	1.25
Wholesale Traders	5	408	35,416	1.15
Proprietors of Construction Businesses	59	195	19,293	1.01
Manufacturers	11	186	19,580	0.95
Other Business Operators	5	222	25,131	0.88
Other Services Operators	95	156	18,628	0.84
Retail Traders	87	161	20,422	0.79
Business Services Operators	10	121	18,072	0.67
Recreational Service Operators	4	176	28,891	0.61
Forestry Operators	7	139	23,978	0.58
TOTAL	329	174	20,156	0.86
Investors				
Investors	626	471	33,879	1.39
Property Owners	77	395	29,523	1.34
TOTAL	704	462	33,400	1.38
Pensioners	652	289	19,493	1.48
Unclassified	508	54	13,186	0.41
TOTAL	<u>11,247</u>	<u>169</u>	<u>25,652</u>	<u>0.66</u>

Table III-6

Purpose

To determine the proportion of the average income (as assessed for income tax purposes) of different occupational groups which is given to charities. For this purpose it is important to show the average income of the occupation as well as the average amount and the percentage of income which is donated by those in that occupation. For example, it will not be unreasonable to expect those in a profession with an average income of \$80,000 a year to give not only a larger amount, but also a larger percentage of income than one would expect to see from an unskilled worker with an income of \$20,000 a year. It is, therefore, appropriate to show the average income for each occupation as well as the average amount given. The latter amount, expressed as a percentage of the average income for each occupation, is the relevant figure for purposes of this table.

Findings

There is considerable variation in the percentage of income donated and this is true even after making some allowance for differences in average incomes of the different occupations. For example, self-employed accountants (with average income of \$63,762) give a higher percentage than any of medical doctors, dentists and lawyers although the average income of accountants is lower than that in any of the three other professions mentioned. Farmers, with an average income just under the national average of all taxpayers, averaged 1.83% compared with the national average percentage of 0.66%. Employees of businesses, who had average income of \$25,167, very close to the national average, gave an average of only 0.44% compared with the national average donation percentage of 0.66%.

Table III-7 Distribution of Individual Donations Between Religious Organizations and Other Charities

Year	Individual Donations			Individual Donations to Other Charities as % of Total
	To Religious Organizations	To Other Charities	Total	
1969	(millions) \$498	(millions) \$169	(millions) \$667	25.3%
1970	495	168	663	25.3
1971	498	172	670	25.7
1972	545	188	733	25.6
1973	600	208	808	25.7
1974	674	236	910	25.4
1975	772	271	1,043	26.0
1976	884	312	1,196	26.1
1977	934	331	1,265	26.2
1978	1,036	370	1,406	26.3
1979	1,156	408	1,564	26.1
1980	1,312	458	1,770	25.9
1981	1,505	520	2,025	25.7
1982	1,677	571	2,248	25.4
1983	1,845	625	2,470	25.3
1984	2,094	706	2,800	25.2
1985	2,288	762	3,050	25.0

Source: Statistics Canada, Family Expenditures in Canada, 1969, 1972, 1974, 1976, 1982 and 1984. Figures for other years are estimated by the author.

Table III-7

Purpose

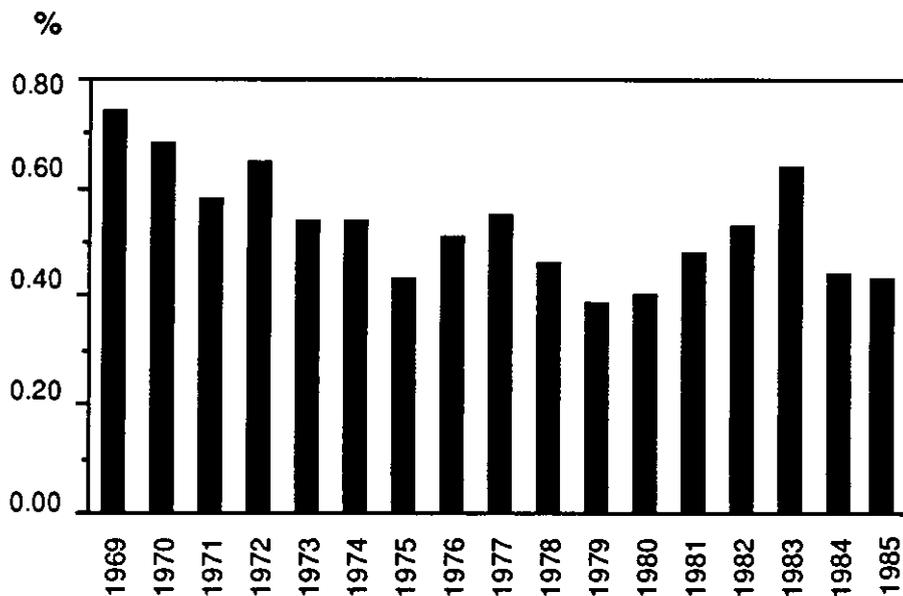
To show how total individual donations have been allocated between religious organizations and other charities.

Findings

Donations to religious organizations remained throughout the period very close to 75 % of the total while all other charities received the remaining 25%.

Part IV Charitable Donations by Corporations

Chart IV-1 Corporate Charitable Donations as a Percentage of Corporate Profits



See Appendix - Table IV-1 for details and source.

Chart IV-1

Purpose

Corporate donations are second only to donations by individuals as a source of contributions to voluntary organizations. Our purpose, in Chart IV-1, is to show how these donations have varied during the years 1969-1985 as a percentage of corporate book profits before taxes.

Findings

In dollar amount, corporations have shown a strong upward trend in their donations. The story is somewhat different when we consider corporate donations as a percentage of pre-tax income. This latter measure showed a general downward trend from 0.74% of profits in 1969 to a low of 0.39% in 1979. After 1979 the figure moved steadily upward until it reached 0.64% in 1983. In 1984, despite an increase of some 40 % in the dollar amount of corporate pre-tax profits, the dollar amount of donations fell slightly and donations as a percentage of pre-tax profit plummeted to 0.44%. This decline was due largely to a weakening in the donations record of the manufacturing and finance industries which together account for more than 60 % of total corporate donations in a typical year. The figure for donations as a percentage of profits in 1985 slipped a bit further and, at 0.43%, was about one-third below the level it had reached in 1983.

**Table IV-2 Purchasing Power of Corporate Donations
Per Capita**

Year	Total Corporate Donations	Consumer Price Index	Purchasing Power of Corporate Donations	Population	Purchasing Power of Donations per Capita
	(Millions)	(1985=100.0)	(Millions)	(000)	
1969	\$69	31.2	\$221	21,001	\$10.52
1970	60	32.3	186	21,297	8.73
1971	61	33.2	184	21,568	8.53
1972	81	34.8	233	21,802	10.69
1973	93	37.5	248	22,093	11.23
1974	122	41.5	294	22,364	13.15
1975	96	46.0	209	22,697	9.21
1976	118	49.5	238	22,993	10.35
1977	134	53.4	251	23,273	10.79
1978	144	58.1	248	23,517	10.55
1979	171	63.5	269	23,747	11.33
1980	195	69.9	279	24,043	11.60
1981	228	78.7	290	24,342	11.91
1982	164	87.2	188	24,632	7.63
1983	256	92.2	278	24,885	11.17
1984	250	96.2	260	25,124	10.35
1985	251	100.0	251	25,360	9.90

Sources: Statistics Canada, Corporation Taxation Statistics, (Catalogue Number 61-208) Various Years
Government of Canada, Department of Finance, Quarterly Economic Review, June 1987, Table 41, page 72

Table IV-2

Purpose

To show the level of purchasing power of corporate donations in each year of the period 1969-1985, how this purchasing power varied over the period, and how much this would amount to per person in each year.

Findings

Although the purchasing power of corporate donations rose consistently from 1970 to 1974 it fell sharply in 1975. From 1975 to 1981 the total purchasing power of corporate donations rose steadily and the 1981 figure was 39% above that for 1975 and approximately equal to the 1974 figure. There was a sharp drop in 1982 which reflects the downward plunge in corporate profits in that year. After 1982 there was a quick recovery in the purchasing power of corporate donations but in 1985, it was still at a level some 15% below the 1974 peak. Per capita purchasing power declined by 25% between 1974 and 1985.

**Table IV-3 Corporate Charitable Donations
by Size of Firm, 1985**

	Number of Firms	Charitable ¹ Donations	Book Profits ² Before Taxes	Donations as a Percentage of Profits
	(thousands)	(millions)	(billions)	
SMALL FIRMS (Assets under \$1 million)				
1983	\$433	\$16.4	\$6.9	0.24%
1984	475	16.2	7.4	0.22
1985	492	12.2	7.3	0.17
MEDIUM FIRMS (Assets \$1 million to \$25 million)				
1983	50.2	76.7	7.2	1.07
1984	55.9	71.8	10.6	0.68
1985	60.5	55.9	12.5	0.45
LARGE FIRMS (Assets \$25 million and above)				
1983	3.2	163.0	28.8	0.63
1984	3.3	161.6	42.0	0.42
1985	3.6	186.6	42.5	0.44

1 Donations allowed as deductions from taxable income.

2 Corporations subject to income taxes.

Table IV-3

Purpose

To show the amount of donations and the proportion of overall corporate charitable donations for firms in the three categories of size of company as measured by assets.

Findings

Firms with assets of \$25 million or more account for less than 1% of all taxable firms but in a typical year these firms have had about 65% of total profits and have given some two-thirds of all corporate charitable donations. The medium-sized firms (assets \$1 million to \$25 million) represent about 10% of all corporations, normally have had some 15% to 20% of total corporate profits and have given between 25% and 30% of all corporate donations. These medium-sized

firms have tended to have a higher ratio of donations to profits than either the larger or smaller firms.

The small firms (assets of less than \$1 million) account for almost 90% of all firms but in a given year almost half will have experienced losses and so it is not surprising that these firms are a minor element with respect to donations, typically accounting for less than 10% of the total.

The picture in 1985 is somewhat different. In that year the large firms had more than their usual share of total profits (68%) and also of total donations (74%). Their ratio of donations to profits, in contrast to earlier years, was higher than that of the medium-sized firms. However, whether the 1985 experience represents the beginning of a new trend or merely a temporary departure from the past experience, it is clear that the large firms dominate with respect to the total amount of both profits and donations.

**Table IV-4 Donations as a Percentage of Profits
By Major Industrial Group, 1985**

Major Industrial Group	Corporate Donations	Book Profits before Taxes	Donations as a Percentage of Pre-tax Profits
	(Millions)	(Millions)	
Agriculture, forestry & fishing	\$1.9	\$529	0.36%
Mining	28.8	9,356	0.31
Manufacturing	77.7	15,258	0.51
Construction	5.9	1,357	0.43
Transportation, communication & other utilities	16.4	4,879	0.34
Wholesale trade	16.3	3,757	0.43
Retail trade	16.8	2,732	0.61
Finance	75.1	17,516	0.43
Services	12.5	3,505	0.36
Total - All Industries	251.4	58,891	0.43%

Source: Statistics Canada, Corporation Tax Statistics, (Catalogue Number 61-208)

Table IV-4

Purpose

To show the amount donated by each industrial group. The table also shows donations as a percentage of pre-tax profits for each industrial group.

Findings

The amounts donated vary greatly from \$77.9 million by finance to \$1.9 million by companies in the primary industries of agriculture, forestry and fishing. Donations expressed as a percentage of pre-tax profits averaged 0.43% for all firms but varied by industry as shown in the last column.

Table IV-5 Percentage Distribution of Donations
by Major Industrial Group, 1985

Major Industrial Group	Corporate Donations (Millions)	Share of Total Corporate Donations
Agriculture, forestry & fishing	\$1.9	0.8%
Mining	28.8	11.5
Manufacturing	77.7	30.9
Construction	5.9	2.3
Transportation, communication & other utilities	16.3	6.5
Wholesale trade	16.4	6.5
Retail trade	16.8	6.7
Finance	75.1	29.9
Services	12.5	5.0
Total - All Industries	<u>251.4</u>	<u>100.0</u>

Source: Statistics Canada, Corporation Tax Statistics, (Catalogue Number 61-208)

Table IV-5

Purpose

To show the percentage share of total corporate donations provided by firms in each of nine major industrial groups.

Findings

More than 60% of all corporate donations in 1985 (and it has been true in most other years) come from the two industrial groups, manufacturing and finance. Approximately 35% in total come from mining, public utilities, wholesale and retail trade and services.

Table IV-6 Average Rate of Taxation on Corporate Profits

Year	Corporation Profits Before Taxes	Corporation Profit Taxes	Corporation Profits After Taxes	Corporation Profits Taxes as % of Pre-tax Profits
	(millions)	(millions)	(millions)	
1971	\$10,655	\$3,205	\$7,450	30.1%
1972	11,912	3,683	8,229	30.9
1973	17,253	4,766	12,487	27.6
1974	22,628	6,558	16,070	29.0
1975	22,220	7,006	15,214	31.5
1976	23,000	6,764	16,236	29.4
1977	24,238	6,705	17,533	27.7
1978	31,324	7,572	23,752	24.2
1979	43,584	9,403	34,181	21.6
1980	48,993	11,414	37,579	23.3
1981	47,895	11,370	36,525	23.7
1982	30,651	9,683	20,968	31.6
1983	40,093	10,570	29,523	26.4
1984	57,223	12,664	44,559	22.1
1985	58,891	13,710	45,181	23.3

Source: Statistics Canada, Corporation Taxation Statistics (Catalogue 61-208) Various Years

Table IV-6

Purpose

To show how total corporation income taxes (federal and provincial combined) have varied as a percentage of total profits over the years 1971-1985.

Findings

The general trend in the level of corporation profits taxes as a percentage of pre-tax profits has been downward. The percentage fluctuates considerably from year to year but a three-year average shows the following:

1971-1973	29.5%
1983-1985	23.9%

The average tax rate on corporate profits for the most recent three-year period was almost one-fifth below the rate for the 1971-1973 period.

Part V Charitable Donations by Foundations

Table V-1 Charitable Donations by Foundations

Year	Total Donations (Millions)	Gross Domestic Product (Billions)	Donations as Percentage of G.D.P.
1969	\$38	\$83.0	0.046
1970	40	89.1	0.045
1971	45	97.3	0.046
1972	50	108.6	0.046
1973	55	127.4	0.043
1974	60	152.1	0.039
1975	65	171.5	0.038
1976	70	197.9	0.035
1977	75	217.9	0.034
1978	85	241.6	0.035
1979	95	276.1	0.034
1980	110	309.9	0.035
1981	125	356.0	0.035
1982	135	374.4	0.036
1983	145	405.7	0.036
1984	155	445.6	0.035
1985	166	479.4	0.035

Source: For the years 1983-1985 the figures were provided by The Canadian Centre for Philanthropy. Data for earlier years are extrapolated from the figures for individual and corporate giving in Canada and from data for foundation giving in the United States.

Table V-1

Purpose

To provide figures concerning total donations by foundations in each of the years 1969-1985 and to show these figures as a percentage of Gross Domestic Product in each year.

Findings

Donations by foundations, as we noted in Table II-1, amount to approximately 5% of total donations by individuals, corporations and foundations. Foundation donations show a more stable and consistent growth pattern than do donations from corporations. This is probably due to the fact that foundations' income tends to fluctuate relatively less than do corporation profits and also charitable donations tend to be a more important aspect of policy for foundations than for corporations.

Part VI International Comparisons- United States, United Kingdom and Canada

Table VI-1 United States-Charitable Donations by Individuals

Year	Donations (Billions)	Personal Income (Billions)	Donations as Percentage of Personal Income	Canada Donations as a Percentage of Personal Income
1969	\$15.93	\$773	2.06%	1.06%
1970	16.19	832	1.95	0.97
1971	17.64	894	1.97	0.89
1972	19.37	982	1.97	0.86
1973	20.53	1,102	1.86	0.81
1974	21.60	1,210	1.79	0.77
1975	23.53	1,313	1.79	0.75
1976	26.32	1,451	1.81	0.76
1977	29.55	1,608	1.84	0.72
1978	32.10	1,812	1.77	0.72
1979	36.59	2,034	1.80	0.71
1980	40.71	2,258	1.80	0.71
1981	46.42	2,521	1.84	0.69
1982	48.52	2,671	1.82	0.69
1983	53.54	2,836	1.89	0.72
1984	60.06	3,112	1.95	0.75
1985	66.06	3,294	2.01	0.76

Source: Giving USA - 1986 and Table III-1.

Table VI-1

Purpose

To determine the level of personal charitable donations relative to personal income in the United States and the trends in this ratio and to compare the position in the United States with that in Canada.

Findings

The level of donations relative to personal income in the United States was more than twice as high as in Canada in each of the years 1970-1985. Since 1979 the US ratio has been more than two and one-half times that for Canada.

Although the levels were very different, the general trend was similar in the two countries - a decline in the earlier years of the period followed by an upswing in the most recent years. It is significant that in the United States the ratio began to increase in 1979 while in Canada this did not happen until 1983.

**Table VI-2 United States-Charitable Donations
by Corporations**

Year	Corporate Donations (Billions)	Book Profit Before Taxes (Billions)	Donations as a Percentage of Profits	Canada Donations as a Percentage of Profits
1970	\$0.80	\$75.4	1.06%	0.68 %
1971	0.86	86.6	0.99	0.58
1972	1.01	100.6	1.00	0.65
1973	1.17	125.6	0.93	0.54
1974	1.20	136.7	0.88	0.54
1975	1.20	132.1	0.91	0.43
1976	1.49	166.9	0.89	0.51
1977	1.79	194.7	0.92	0.55
1978	2.08	229.1	0.91	0.46
1979	2.29	252.7	0.91	0.39
1980	2.36	234.6	1.01	0.40
1981	2.51	221.2	1.13	0.48
1982	2.91	165.5	1.76	0.53
1983	3.30	203.2	1.62	0.64
1984	3.80	235.7	1.61	0.44
1985	4.30	226.8	1.90	0.43

Source: Giving USA, 1986 and Table IV-1.

Table VI-2

Purpose

As in the case of individuals, our purpose here is to determine the level and the trends in corporate donations in the United States and to compare these with experience in Canada.

Findings

The ratio of charitable donations to pre-tax profits has been consistently higher in the United States than in Canada, and the gap has been widening. In 1969, the ratio in the US was 1.4 times that in Canada and it has gradually widened until in 1985 the US ratio was 4.4 times that in Canada, i.e. in 1985 the Canadian corporations gave 0.43% of pre-tax profits compared with 1.90% for US corporations.

Table VI-3 United States-Charitable Donations by Foundations

Year	Total Donations (Billions)	Gross Domestic Product (Billions)	Donations as Percentage of G.D.P.	Canada Donations as a Percentage of G.D.P.
1970	\$1.90	\$985	0.19%	0.045%
1971	1.95	1,068	0.18	0.046
1972	2.00	1,175	0.17	0.046
1973	2.00	1,310	0.15	0.043
1974	2.11	1,414	0.15	0.039
1975	1.65	1,532	0.11	0.038
1976	1.90	1,698	0.11	0.035
1977	2.00	1,895	0.11	0.034
1978	2.17	2,134	0.10	0.035
1979	2.42	2,375	0.10	0.034
1980	2.81	2,586	0.11	0.035
1981	3.07	2,908	0.11	0.035
1982	3.16	3,021	0.10	0.036
1983	3.60	3,406	0.11	0.036
1984	3.95	3,772	0.10	0.035
1985	4.46	4,010	0.11	0.035

Source: Giving USA - 1986 and Table V-1.

Table VI-3

Purpose

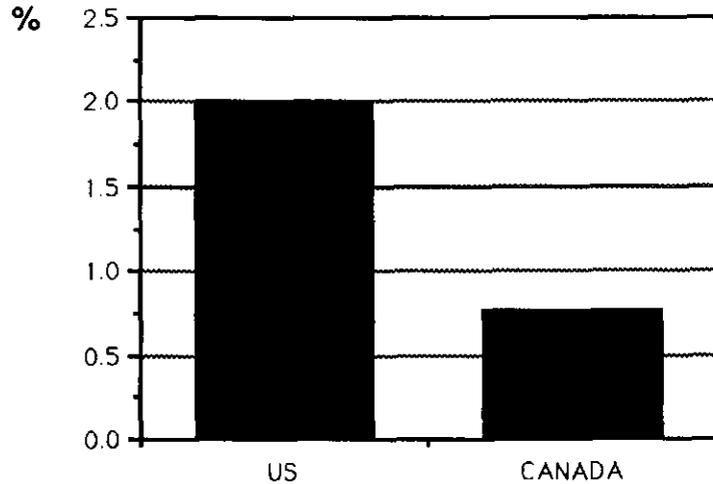
To show for each year the total amount donated, the ratio of these donations to Gross Domestic Product and the trends in these figures over the period 1970 - 1984.

Findings

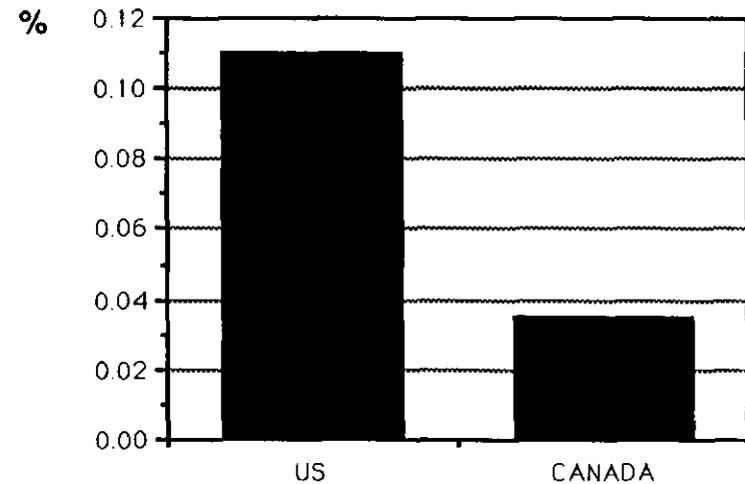
Except for a sharp decline in 1975 (which was a depressed year in the United States) there has been a strong upward trend in the *amount* of donations. As a percentage of Gross Domestic Product, donations by foundations fell from 0.19% in 1970, to 0.11% in 1975. The percentage has been very stable over the years 1975 - 1984.

Chart VI-4 Comparison of Total Donations - United States and Canada 1985

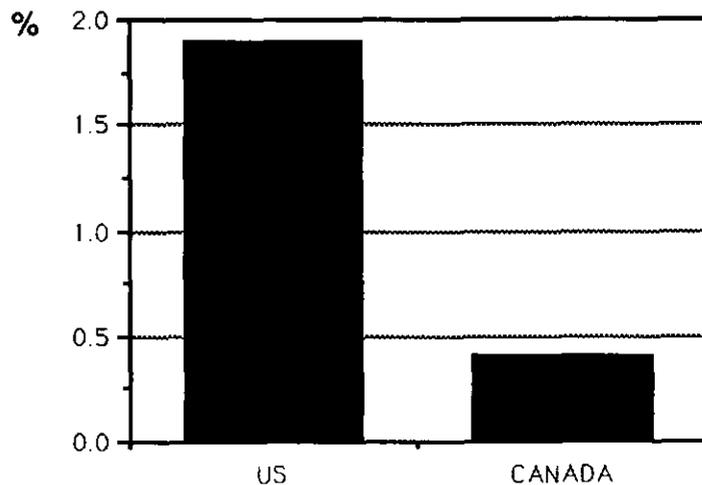
Individual Donations as % of Personal Income



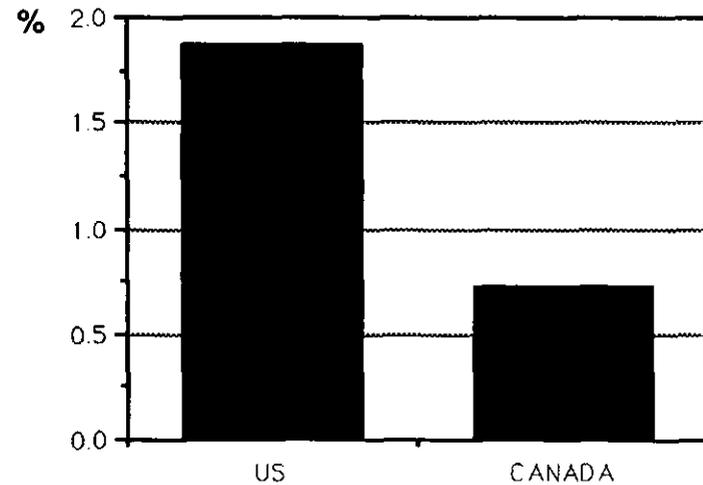
Foundation Donations as % of G.D.P.



Corporate Donations as % of Book Profits Before Taxes



Total Donations as % of G.D.P.



See Appendix Table VI-4 for detail and sources.

Chart VI-4

Purpose

As in the case of Tables VI -1, VI-2 and VI - 3, the purpose is to assess United States experience and compare it with the record for Canada.

Findings

Here again is illustrated the fact that the United States' ratio of donations to the relevant measure of income is higher than in Canada in all three types of charitable donations; individual, corporate and foundations. In total, the United States' donations at 1.87% of G.D.P. in 1985 was 2.6 times the level of 0.72% giving in Canada.

**Table VI-5 United Kingdom - Charitable Donations
by Individuals**

Year	Individual Donations (Millions)	Personal Income (Billions)	Donations as a Percentage of Income	Canada Donations as a Percentage of Personal Income
1975	£557	£97.3	0.57%	0.75%
1976	606	112.7	0.54	0.76
1977	633	125.3	0.51	0.72
1978	654	144.1	0.45	0.72
1979	677	170.3	0.40	0.71
1980	695	201.1	0.35	0.71
1981	836	222.4	0.38	0.69
1982	991	241.9	0.41	0.69
1983	1,170	250.6	0.47	0.72
1984	1,340	279.3	0.48	0.75
1985	1,561	301.5	0.52	0.76

Sources: Brophy M. Charities Aid Foundation. Charity Trends 1986/87 p. 6.
United Kingdom. National Accounts. 1985 edition, p.37 and Table III-1.

Table VI-5
Purpose

To determine the absolute amount of charitable donations by individuals in the United Kingdom and the size of these donations relative to the pre-tax income of individuals. We are also interested in the trends in these donations. We do not have the data for years prior to 1975. The data we have are for 1975, 1980 and 1985. Figures for personal donations in intervening years are interpolated.

Findings

As in the cases of Canada and the United States we find that there has been a consistent increase in personal donations but these figures reflect the high level of inflation of the period. A more relevant measure is the ratio of personal donations to personal income before taxes. This ratio, which is somewhat lower than the corresponding ratio for Canada or the United States, shows a pattern which is broadly similar to that in Canada and the United States. It fell rather sharply from 1975 to 1980 but has shown a consistent and significant increase since that year.

Table VI-6 United Kingdom - Charitable Donations
by Corporations

Year	Corporate Donations (Millions)	Book Profits Before Taxes (Millions)	Donations as a Percentage of Profits	Canada Donations as a Percentage of Profits
1970	£36	£8,130	0.44%	0.68%
1971	38	9,085	0.42	0.58
1972	41	10,531	0.39	0.65
1973	42	14,842	0.28	0.54
1974	42	16,722	0.25	0.54
1975	42	15,501	0.27	0.43
1976	42	21,032	0.20	0.51
1977	43	26,351	0.16	0.55
1978	45	28,483	0.16	0.46
1979	51	39,619	0.13	0.39
1980	52	39,430	0.13	0.40
1981	62	43,480	0.14	0.48
1982	69	49,428	0.14	0.53
1983	86	57,315	0.15	0.64
1984	102	67,818	0.15	0.44
1985	114	79,112	0.14	0.43

Source: United Kingdom, National Accounts, 1987, pp 22-3 and 28-9 and Table IV-1.

Table VI-6

Purpose

To show the level of corporate donations in absolute amount and as a percentage of corporation profits before taxes. We are also interested in the trends in these series.

Findings

The absolute amount of corporate donations has grown consistently over the period 1975-1985 but as a proportion of corporation per-tax profits the ratio fell from 0.44% in 1970 to 0.13% in both 1979 and 1980. Since then, there has been a modest recovery to 0.15% in 1983 and 1984 with a slight decline to 0.14% in 1985. In this case, too, the percentage of donations to the relevant income is substantially below that for Canada or the United States.

**Table VI-7 United Kingdom - Charitable Donations
by Grant-making Trusts**

Year	Donations (Millions)	Gross Domestic Product (Billions)	Donations as a Percentage of G.D.P.	Canada Donations as a Percentage of G.D.P.
1975	£85	£105.9	0.08%	0.038%
1976	90	126.3	0.07	0.035
1977	93	145.5	0.06	0.034
1978	142	167.7	0.08	0.035
1979	119	196.4	0.06	0.034
1980	144	229.8	0.06	0.035
1981	151	253.2	0.06	0.035
1982	178	275.3	0.06	0.036
1983	208	300.1	0.07	0.036
1984	224	319.1	0.07	0.035
1985	245	350.4	0.07	0.035

Source: Brophy M. Charities Aid Foundation. Charity Trends 1986/87, p.71.
United Kingdom. National Accounts. 1985 ed., p.37 and Table V-1.

Table VI-7

Purpose

Grant-making trusts in the United Kingdom are similar to charitable foundations in Canada and the United States. Our purpose is to show the amount of their donations in each year, the size of these donations relative to the Gross Domestic Product and trends in these figures.

Findings

The amount of these donations has shown a strong upward trend but again this seems to be due largely to the effects of inflation. As a proportion of Gross Domestic Product, donations by grant-making trusts have remained approximately constant. It should be noted that the donations from grant-making trusts in the United Kingdom are more than twice as large as charitable donations by United Kingdom corporations and also that they have shown a more rapid rate of increase than have corporate donations.

Table VI-8 Comparison of Total Donations - United Kingdom and Canada

Year	Donations in the United Kingdom (£ Millions)				UK -Gross Domestic Product (£ Billions)	Total Donations as % of GDP- UK	Total Donations as % of GDP-CAN	Ratio of UK Donation % to Canadian Donation %
	Individuals	Corporations	Grant-making Trusts	TOTAL				
1975	£557	£42	£85	£684	£105.9	0.65%	0.70%	0.93 %
1976	606	42	90	738	126.3	0.58	0.70	0.83
1977	633	43	93	769	145.5	0.53	0.68	0.78
1978	654	45	142	841	167.7	0.50	0.68	0.74
1979	677	51	119	847	196.4	0.43	0.66	0.65
1980	695	52	144	891	229.8	0.39	0.67	0.58
1981	836	62	151	1,049	253.2	0.41	0.67	0.61
1982	991	69	178	1,238	275.3	0.45	0.68	0.66
1983	1,170	86	208	1,464	300.1	0.49	0.71	0.69
1984	1,340	102	224	1,666	319.1	0.52	0.72	0.72
1985	1,561	114	245	1,920	350.4	0.55	0.72	0.77

Sources: Tables VI-5, VI-6, VI-7 and II-2.

Table VI-8

Purpose

To derive comprehensive figures for charitable donations in the United Kingdom and to compare the size of these figures relative to G.D.P. in the United Kingdom with the corresponding figures for Canada.

Findings

Total charitable donations by individuals, corporations and grant-making trusts (foundations) in the United Kingdom have shown a pattern which is similar to that in Canada except that the fluctuations have been more pronounced in the United Kingdom.

The general level of donations relative to G.D.P. in the United Kingdom has been somewhat lower than in Canada. In 1985, for example, the total of the three categories of donations relative to the G.D.P. in the United Kingdom was 77% of the same proportion in Canada and less than one third of the proportion in the United States. It would seem that the proportion of donations is, in part at least, an inverse reflection of the provision for education, health and social welfare provided by the respective governments.

APPENDIX

Table I-1	Total Number of Registered Charities in Canada, by Type of Activity
Table II-1	Distribution of Donations by Source - Individuals, Corporations and Foundations
Table II-2	Charitable Donations as a Percentage of Gross Domestic Product
Table III-1	Charitable Donations by Individuals as a Percentage of Personal Income
Table III-3	Religious and Other Donations by Size of Community, 1986
Table III-5	Charitable Donations as a Percentage of Income, by Age Groups, 1985
Table IV-1	Corporate Charitable Donations as a Percentage of Corporate Profits
Table VI-4	Comparison of Total Donations - United States and Canada

Table I-1 Total Number of Registered Charities in Canada
by Type of Activity

YEAR	Number of Registered Charities at Year End						TOTAL
	Welfare	Health	Education	Religion	Benefits to Com- munity	Other	
1974 #	3,481	2,283	3,033	22,343	2,307	1,666	35,113
%	(9.9)	(6.5)	(8.6)	(63.7)	(6.6)	(4.7)	(100.0)
1980	5,236	2,967	5,003	24,565	3,216	3,297	44,284
1981	5,549	2,982	5,411	24,929	3,536	3,317	45,724
1982	5,848	3,086	5,706	25,040	3,701	3,333	46,714
1983	6,451	3,351	6,443	25,740	4,177	3,509	49,671
1984	6,905	3,166	6,990	26,199	4,442	3,258	50,960
1985	7,382	3,767	7,398	26,786	4,736	3,822	53,891
1986 #	7,661	3,937	7,691	27,156	4,937	3,850	55,232
%	(13.9)	(7.1)	(13.9)	(49.2)	(8.9)	(7.0)	(100.0)
Number of Charities Dec.31/86 as a percentage of those at Dec.31/74	220%	172%	254%	122%	214%	231%	157%
Average Annual Rate of Growth 1974-1986	6.8%	4.6%	8.1%	1.7%	6.5%	7.2%	3.8%

Source: Revenue Canada, Registration Division

Table II-1 Distribution of Donations by Source-
Individuals, Corporations and Foundations

	Amount of Donations				Percentage Distribution			
	Indivi- duals	Corpo- rations	Found- ¹ ations	TOTAL	Indivi- duals	Corpo- rations	Found- ations	TOTAL
	(all dollar figures in millions)							
1969	\$667	\$69	\$38	\$774	86.2%	8.9%	4.9%	100.0%
1970	663	60	40	763	86.9	7.9	5.2	100.0
1971	670	61	45	776	86.3	7.9	5.8	100.0
1972	733	81	50	864	84.8	9.4	5.8	100.0
1973	808	93	55	956	84.5	9.7	5.8	100.0
1974	910	122	60	1,092	83.3	11.2	5.5	100.0
1975	1,043	96	65	1,204	86.6	8.0	5.4	100.0
1976	1,196	118	70	1,384	86.4	8.5	5.1	100.0
1977	1,265	134	75	1,474	85.8	9.1	5.1	100.0
1978	1,406	144	85	1,635	86.0	8.8	5.2	100.0
1979	1,564	171	95	1,830	85.5	9.3	5.2	100.0
1980	1,770	195	110	2,075	85.3	9.4	5.3	100.0
1981	2,025	228	125	2,378	85.2	9.6	5.2	100.0
1982	2,248	164	135	2,547	88.3	6.4	5.3	100.0
1983	2,470	256	145	2,871	86.0	8.9	5.1	100.0
1984	2,800	250	155	3,205	87.4	7.8	4.8	100.0
1985	3,050	251	166	3,467	88.0	7.2	4.8	100.0

¹ The figures for foundations for the years 1983-1985 are from The Canadian Centre for Philanthropy. For earlier years the figures are estimates based on related Canadian and United States data.

Sources: See Tables III-1, IV-2 and footnote 2 above.

Table II-2 Charitable Donations as a Percentage of
Gross Domestic Product

Year	Total Donations	Gross Domestic Product	Donations as Percentage of G.D.P.
	(Millions)	(Billions)	
1969	\$774	\$83.0	0.93%
1970	763	89.1	0.86
1971	776	97.3	0.80
1972	864	108.6	0.80
1973	956	127.4	0.75
1974	1,092	152.1	0.72
1975	1,204	171.5	0.70
1976	1,384	197.9	0.70
1977	1,474	217.9	0.68
1978	1,635	241.6	0.68
1979	1,830	276.1	0.66
1980	2,075	309.9	0.67
1981	2,378	356.0	0.67
1982	2,547	374.4	0.68
1983	2,871	405.7	0.71
1984	3,205	445.6	0.72
1985	3,467	479.4	0.72

Sources: Table II-1, Government of Canada, Department of Finance, Quarterly Economic Review, Annual Reference Tables, June 1987, p. 11.

Table III-1 Charitable Donations by Individuals as a Percentage of Personal Income

Year	Total Donations ¹	Personal Income ²	Donations as a Percentage of Personal Income
	(Millions)	(Billions)	
1969	\$667	\$63.2	1.06%
1970	663	68.2	0.97
1971	670	75.3	0.89
1972	733	85.5	0.86
1973	808	99.8	0.81
1974	910	118.8	0.77
1975	1,043	138.6	0.75
1976	1,196	158.1	0.76
1977	1,265	174.8	0.72
1978	1,406	195.2	0.72
1979	1,564	219.5	0.71
1980	1,770	248.9	0.71
1981	2,025	293.2	0.69
1982	2,248	324.8	0.69
1983	2,470	342.8	0.72
1984	2,800	371.9	0.75
1985	3,050	402.0	0.76

1 Estimated by the author from Revenue Canada Taxation Statistics, and from Statistics Canada Expenditure Surveys as well as special studies.

2 Before deductions for income tax, social insurance and government pension funds. The source is Government of Canada, Department of Finance, Quarterly Economic Review, Annual Reference Tables, June 1987, Table 15

Table III-3 Religious and Other Donations by Size of Community, 1986

Community Size	Average Income per Family \$	Religious Donations per Family		Other Donations per Family		Other Donations per Family		Religious as % of Total Donations
		\$	% of Income	\$	% of Income	\$	% of Income	
1,000,000 and over	39,672	128	0.32	100	0.25	228	0.57	56
500,000-999,999	37,833	202	0.53	90	0.24	292	0.77	69
100,000-499,999	35,528	306	0.86	95	0.27	401	1.13	76
30,000-99,999	32,714	242	0.74	69	0.21	311	0.95	78
Less than 30,000	31,157	384	1.23	56	0.18	440	1.41	87
TOTAL URBAN	36,693	220	0.60	88	0.24	308	0.84	71
Non- Farm	30,219	197	0.65	56	0.19	252	0.83	78
Farm	34,224	584	1.71	68	0.20	652	1.91	90
TOTAL RURAL	30,832	256	0.83	58	0.19	313	1.02	82
TOTAL CANADA (10 Provinces)	35,665	227	0.64	83	0.23	309	0.87	73

Source: Statistics Canada - Family Expenditure Survey Section

APPENDIX

Table III-5 Charitable Donations as a Percentage
of Income by Age Groups, 1985

Age	Average Charitable Donations	Average Income	Donations as a percentage of Income
Under 20	\$13	\$10,492	0.12%
20-24	27	14,814	0.18
25-29	65	21,078	0.31
30-34	102	25,677	0.40
35-39	145	28,817	0.50
40-44	180	30,653	0.59
45-49	208	30,795	0.68
50-54	235	30,870	0.76
55-59	270	30,600	0.88
60-64	296	28,186	1.05
65-69	371	26,577	1.40
70-74	449	25,171	1.78
75+	522	25,542	2.04
TOTAL	\$159	\$25,542	0.65%

Source: Revenue Canada
Taxation Statistics 1987 Edition
Table 4A Taxable Returns by Age and Sex

Table IV-1 Corporate Charitable Donations as a Percentage of Corporate Profits

Year	Corporate Donations ¹ (Millions)	Book Profit Before ² Taxes (Billions)	Donations as a Percentage of Profits
1969	\$69	\$9.3	0.74%
1970	60	8.8	0.68
1971	61	10.6	0.58
1972	81	12.4	0.65
1973	93	17.3	0.54
1974	122	22.6	0.54
1975	96	22.2	0.43
1976	118	23.0	0.51
1977	134	24.2	0.55
1978	144	31.3	0.46
1979	171	43.6	0.39
1980	195	49.0	0.40
1981	228	47.9	0.48
1982	164	30.7	0.53
1983	256	40.1	0.64
1984	250	56.9	0.44
1985	251	58.9	0.43

1 Donations allowed as deductions from taxable income.

2 Corporations subject to income tax.

Source: Statistics Canada, Corporation Taxation Statistics (Catalogue Number 61-208) Various Years

Table VI-4 Comparison of Total Donations - United States and Canada

Year	Donations in the United States (\$Billions)				US -Gross National Product (\$Billions)	Total Donations as % of GNP- US	Total Donations as % of GDP-CAN	Ratio of US Donation % to Canadian Donation %
	Individuals	Corporations	Foundations	TOTAL				
1970	\$16.19	\$0.80	\$1.90	\$18.89	\$985	1.92%	0.86%	2.23
1971	17.64	0.86	1.95	20.45	1,069	1.91	0.80	2.39
1972	19.37	1.01	2.00	22.38	1,175	1.89	0.80	2.36
1973	20.53	1.17	2.00	23.70	1,310	1.81	0.75	2.41
1974	21.60	1.20	2.11	24.91	1,414	1.76	0.72	2.44
1975	23.53	1.20	1.65	26.38	1,532	1.72	0.70	2.46
1976	26.32	1.49	1.90	29.71	1,698	1.75	0.70	2.50
1977	29.55	1.79	2.00	33.34	1,895	1.97	0.68	2.90
1978	32.10	2.08	2.17	36.35	2,134	1.70	0.68	2.50
1979	36.59	2.29	2.42	41.30	2,375	1.74	0.66	2.64
1980	40.71	2.36	2.81	45.88	2,586	1.77	0.67	2.64
1981	46.42	2.51	3.07	52.00	2,908	1.79	0.67	2.67
1982	48.52	2.91	3.16	54.59	3,021	1.81	0.68	2.66
1983	53.54	3.30	3.60	60.44	3,406	1.77	0.71	2.49
1984	60.66	3.80	3.95	68.41	3,772	1.81	0.72	2.51
1985	66.06	4.30	4.46	74.82	4,010	1.87	0.72	2.60

CHAPTER TWO

INDIVIDUAL PHILANTHROPY

To determine the attitudes of Canadian individuals toward charitable giving, **Decima Research** interviewed a random sample of 1,000 adult residents of Canada. An additional sample was undertaken with 1,149 residents of Vancouver, Calgary, Winnipeg, Toronto, Montreal, and Halifax. The total sample size was 2,149. Interviewing was undertaken between October 15 and October 30, 1987.

The survey examined the following issues:

1. Individual Canadians' Attitudes Toward Charities
2. The Profile the Charitable Sector Has Among Canadians
3. Giving to Non-Religious Organizations
 - a) Donation Behaviour of Canadians
 - b) Motivations for Donating
 - c) Profile of Donors
4. Giving to Religious Organizations
 - a) Donation Behaviour of Canadians
 - b) Profile of Donors
5. Voluntarism
6. The Operation of Charitable Organizations
7. The Potential for Canadians to Give More
8. Conclusions

The highlights of the survey responses and a brief analysis of the findings for each of these seven major issues will be examined in this chapter. The preface includes some comments which endeavor to explain the differences between Quebec and the rest of the country.

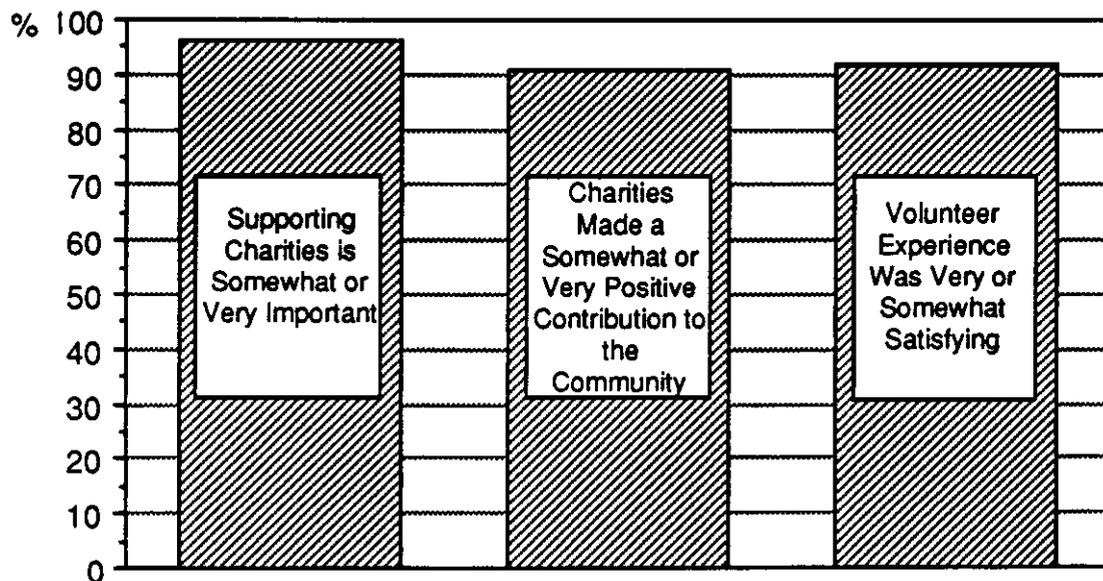
Allan Arlett
President and C.E.O.
The Canadian Centre
for Philanthropy

1. Individual Canadians' Attitudes Toward Charities

It is clear from the Decima survey, as illustrated in Chart 1, that Canadians hold a positive attitude toward the sector.

- When asked to identify the importance of supporting charities, 96% (Quebec - 94%) identified it as somewhat or very important (57% very important, Quebec - 46%).
- While some of the Decima findings show significant differences between Quebec and the rest of Canada, it is important to note that those with personal incomes of \$40,000 or more are virtually identical in identifying the support of charities as very important - Canada 61% (Quebec 59%). The same is true for university graduates; Canada 60% (Quebec 59%).
- 91% (Quebec - 89%) said that charities and non-profit organizations make a somewhat or very positive contribution to the community.
- Among those saying that charities made a very positive contribution to the community, the figure is 50% (Quebec 47%) among personal income earners over \$40,000 and 44% for university graduates (Quebec 47%).
- 92% describe their volunteer experience as very satisfying (49%) or somewhat satisfying (43%) [Quebec 52% and 37% respectively].
- In terms of honesty and ethical standards, charities ranked second only to the medical profession, historically the leader in public opinion poll findings on ethical standards of different occupations. Charities were ranked 4.5 times higher than business (in percentage response) and 8 times higher than politicians.

Chart 1-1 Attitudes Towards Charities



Ranking of Importance of Activity

The following table shows how respondents ranked in 10 areas of charitable activity on a scale of 1 to 10 when they were asked about the importance of various types of charitable work.

Table 1-2 Importance of Various Types of Philanthropic Work

Area of Charitable Activity	Mean Level of Importance *	
	Canada	Quebec
Seeking cures for disabling fatal diseases	8.4	8.2
Providing assistance to the disadvantaged in the community	7.9	8.0
Supporting hospitals and health care services	7.8	7.8
Promoting conservation of the environment	7.4	7.4
Supporting post secondary education	6.4	6.6
Promoting amateur sports and fitness	6.4	6.6
Supporting projects in Third World countries	6.2	6.8
Promoting social causes	6.1	6.7
Helping to meet spiritual and religious needs	5.8	6.0
Supporting arts and culture	5.3	5.6

* Mean results are based on a 10-point scale from 1 describing the work charitable or non-profit organizations do in a particular area as "not at all important" to 10 describing the work done in the area as "extremely important".

Who Should Support the Charitable Sector?

The issue of the responsibility of government to fund the charitable sector was raised with the individuals interviewed and the response is shown in Table 1-3.

Table 1-3 Role of Government and Other Groups in Supporting the Charitable Sector

	Has Most Responsibility Now	Should Have Most Responsibility
	%	%
General public	56	40
Business	21	20
Foundations	12	7
Government	11	32

The Decima Report notes, "While substantial minorities believe that government should have most of the responsibility for funding charities, a significant majority of Canadians also believe that the services provided by charities are not a substitute for government services ... the public reject the idea that if charities were to raise more funds or recruit more volunteers, then some government services could be cut back". As shown in Table 1-4, this position is strongly held, and is consistent across all regions of the country and social groupings.

Table 1-4 Government Responsibility

	Agree	Depends	Disagree
The work that charitable and non-profit organizations do should not be a substitute for government's responsibility to provide services to the public.	78%	6%	16%

2. The Profile the Charitable Sector Has Among Canadians

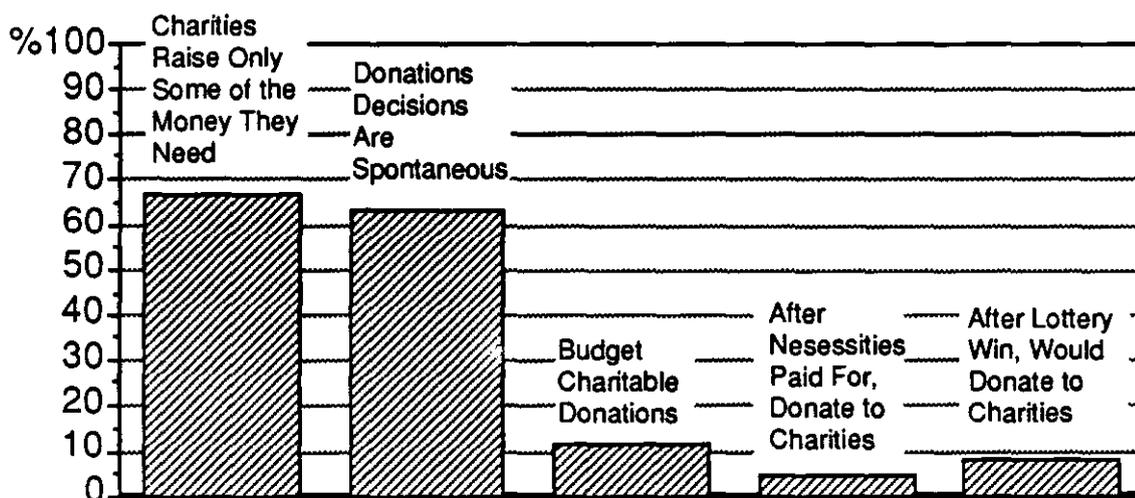
Despite their positive attitude towards charities, Canadians give significantly less today than in the past as a share of their personal income.

Data published in Revenue Canada taxation statistics show that individual donations by Canadians as a percentage of personal income declined fairly steadily until 1982 when a slight upturn began to take place.

Why is the positive attitude towards charities not reflected in donations behaviour? One of the major factors, as illustrated by Chart 2-1 is that charities occupy a low share of mind among Canadians.

- When asked what they do with their income after they have paid for the necessities of life, only 4% (Quebec 2%) mention giving to charity. To the question of how they would spend \$100,000 won in a lottery, only 8% (Quebec 5%) mention giving to charity.
- However, 67% of Canadians (77% in Quebec) believe that charities are only able to raise some of the money they need.
- Giving for most Canadians is an unplanned activity - 63% say they make their decisions quite spontaneously.
- Of the 63% of Canadians who budget, only 17% included charitable giving in their budget.

Chart 2-1 Charities' Profile in the Canadian Mind



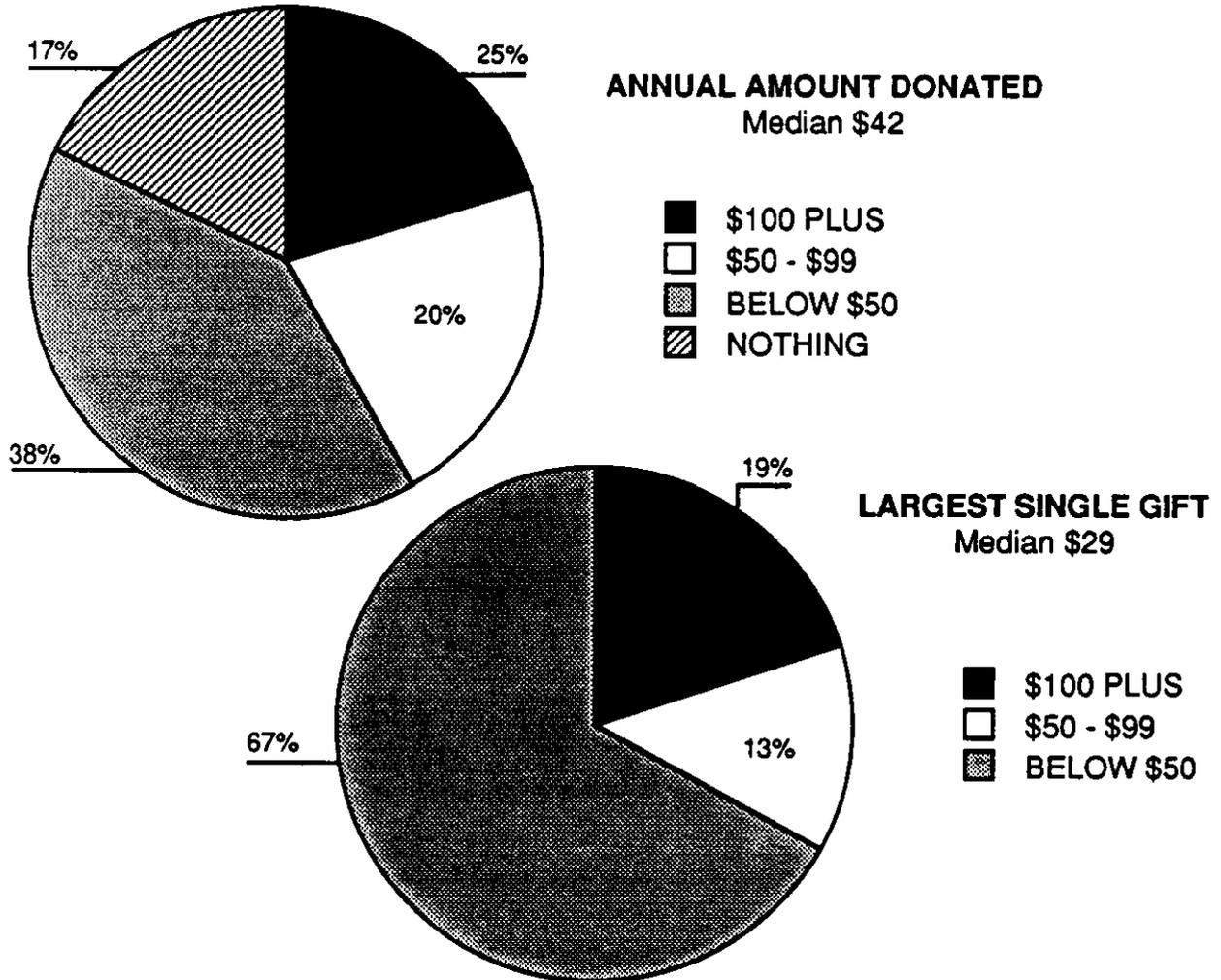
The basic problem is not that Canadians don't give - 89% gave last year to religious or non-religious activity, but that the median amount given is so low - \$70 in the year.

3. Giving to Non-Religious Organizations

a) Donation Behaviour of Canadians

While Canadians have a very positive attitude towards charities, their level of financial support is a real measure of the low share of mind that charities occupy. This seems particularly true in examining donations to non-religious organizations.

Chart 3-1 Non-Religious Giving



As shown in Chart 3-1 in the past year, 17% of Canadians (24% Quebec) say they gave nothing to non-religious charities, 38% (40% Quebec) gave less than \$50, in the \$50-99 range the figure is 20% (18% Quebec) and for annual donations of more than \$100 it is 25% (18% Quebec). The median amount reported is \$42 (\$26 Quebec) to non-religious activity.

With this in mind it is not surprising that in examining the largest single gift by individuals, 67% (69% Quebec) of donors reported that this was less than \$50. For 13% (16% Quebec) it was between \$50 - \$99. Only 19% (15% Quebec) reported a gift of \$100 or more and 3% (2% Quebec) were above \$500. The median amount of the largest gift was \$29 (\$24 Quebec).

It is interesting to move from the amount that Canadians give to look at the solicitation methods. What relationship, if any, exists between the method used and the amount donated?

Table 3-2 Methods of Solicitation Responded to Most Frequently and Amounts Donated for Non-Religious Donations

	Most Frequent	Second Most Frequent	Third Most Frequent	Total Mentions	Amount Donated	
	%	%	%	%	Canada \$	Quebec \$
Person at door	34	22	11	67	43	24
Collection box	10	14	20	44	31	25
Friend/neighbour	11	15	17	43	43	23
Place of work	15	11	10	36	53	30
Radio/television	10	12	12	34	36	28
Mail	14	10	9	33	57	33
Someone in street	3	9	10	22	34	21
Over the telephone	4	5	7	16	41	20

There are regional variations in response to solicitation methods. These are shown in the following table.

Table 3-3 Regional Variations - Most Responded to Solicitation Method

	Door to Door	Friend/ Neighbour	Work Place	Radio TV	Mail
	%	%	%	%	%
British Columbia	35	11	9	4	18
Prairies	41	14	11	7	9
Ontario	29	8	22	10	16
Quebec	26	14	12	18	14
Atlantic	58	4	14	4	5

The Decima Report notes, "No direct link between a solicitation method and the total amount donated can be made, since most Canadians respond to a variety of solicitation methods and since an infrequently used method may account for a large portion of a person's total amount donated in the year. The circumstantial evidence presented in the Table, however, suggests that the solicitation method to which people respond most frequently does have some impact on the amount donated. Given this supposition, it may well be that part of the reason for the fairly low level of non-religious donating is that Canadians most-frequently respond to methods, especially door-to-door solicitation, that do not yield large individual donations".

- The median amount given through door-to-door solicitation, where many individuals will give from the amount of money they are carrying at the time, is \$36. By way of contrast people with payroll deduction plans had a median gift of \$67.

- As will be seen, giving to religious organizations (donations of time and money) are substantially higher than to non-religious causes. While some of the motivations differ from giving to non-religious organizations it is also a fact that religious organizations have the most organized solicitation methods.

Importance of Different Types of Charitable Activity

As noted earlier in this chapter, the relative importance Canadians attach to different types of charitable activities was examined. The relative visibility of different types of organizations was also surveyed. This can then be compared to the types of organizations recalled to mind and supported by individuals. There are some significant differences between Quebec and the rest of Canada.

Table 3-4 Types of Charitable Organizations Recalled and Supported

Type	Type Recalled		Type Given To	
	Canada	Quebec	Canada	Quebec
	%	%	%	%
Health related	50	33	60	46
Social service	16	28	18	21
Religious	11	5	5	1
International	6	12	3	6
Other	17	22	19	27

Other Forms of Donations

Table 3-5 Preferred Means of Donation

	Most Preferred	Second Preference	Total Preference
	%	%	%
Outright donation of money	45	20	65
Sponsorship of event participants	23	38	61
Raffle ticket	22	25	47
Purchase of articles	10	18	28

While these findings show that the donation of money is the most preferred method of making contributions, it is clear that significant numbers also have other preferences. When examined in more detail it is apparent that those under age 25 prefer purchasing raffle tickets (31%) than outright donations of money (28%). They also are above average in their interest in purchasing articles (19%) especially in Quebec (32%).

University graduates (61%), those in professional/managerial positions (58%) and those with household incomes in excess of \$50,000 (59%) prefer outright donations of money. Not surprisingly those who prefer outright donations are also the most likely to donate and to donate the largest amount.

Table 3-6 Most Preferred Means of Donations and Median Amount Donated

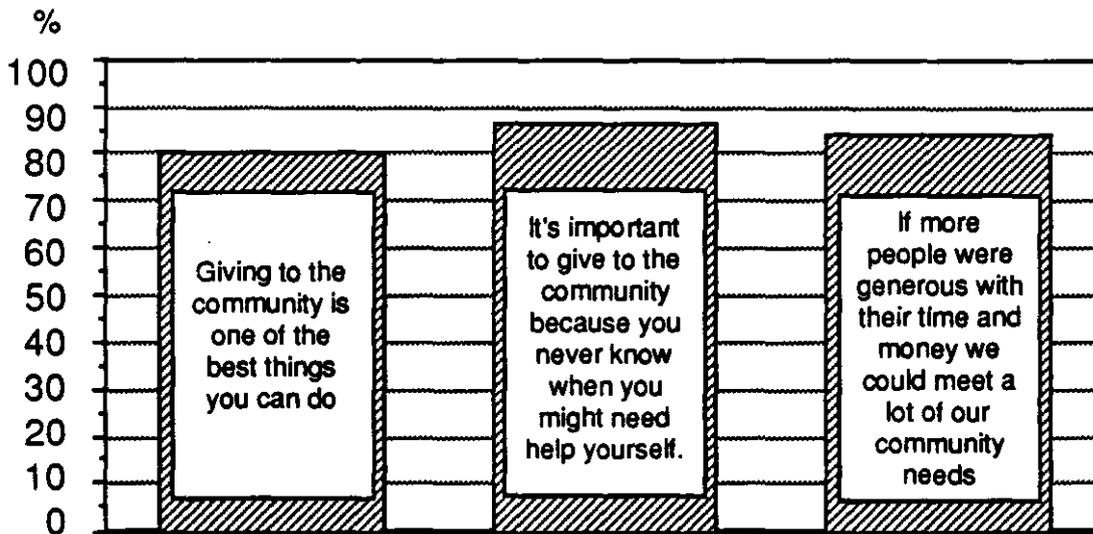
	Percentage Donating	Median Amount
	%	\$
Outright donation of money	87	\$ 62
Sponsorship of event participants	85	\$ 37
Raffle ticket	79	\$ 29
Purchase of articles	73	\$ 22

Payroll Deduction

The median gift for people with payroll deduction plans was \$67 compared to \$36 for those without. However, those without such plans show resistance to having them introduced; 67% say it is a poor or very poor idea. Even among those who say it is important to support charities, 63% say payroll deduction schemes are a poor idea.

b) Motivations for Donating

Chart 3-7 Motivations for Giving - Community Orientation



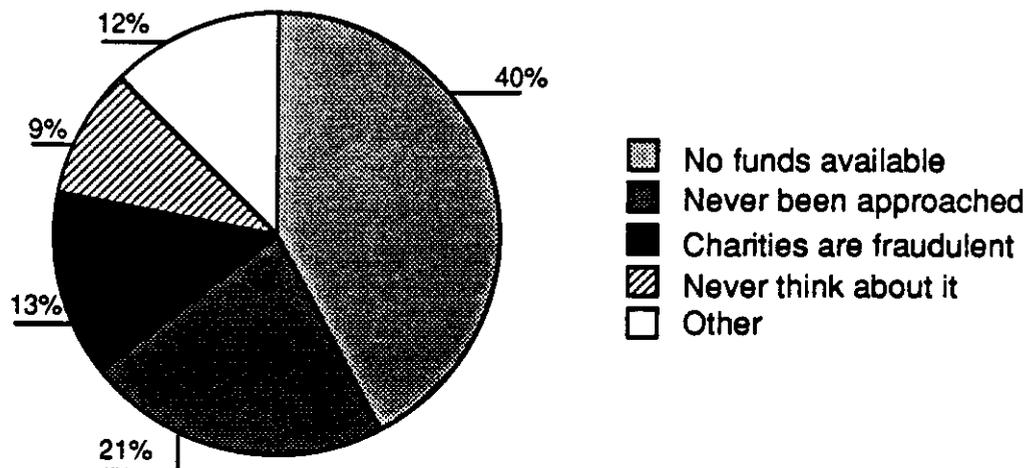
As illustrated in Chart 3-7, the Decima report concludes that support for the community is a major factor in charitable giving. The report states, "First, Canadians have a deep belief in the importance of giving to the community. In all, 80% accept the importance of this principle. Even more important, as both the level of agreement and the mean score indicate, is the idea that giving to the community is a form of social insurance — namely one never knows when community help will be required. Third, and almost as important as the insurance principle, is the belief that giving to the community can meet community needs and that if more people would

donate more, community needs could be taken care of. This latter idea encompasses both a note of efficacy — namely giving can have an impact — and an imperative — that more should be done. Analysis by social background and regional variables indicates that variations in response on these items are minimal”.

Reasons for Not Donating

16% of those polled had not donated to non-religious organizations. The following chart shows the five major reasons stated for not giving.

Chart 3-8 Reasons for Not Donating to Non-Religious Organizations



Most of those stating they had not been approached are in the 18-24 age group or in the low income category.

c) Profile of Donors

The following is a summary of the factors from the survey findings associated with the most generous donors to non-religious activity.

- Thirty years of age or older
- Married with children or children who have left home
- Two income family
- Prairie residents
- Professional or managerial occupation
- \$50,000 annual household income
- University educated
- Regular religious service attendance
- Donates to religious organizations
- Active in the community
- Belongs to at least two associations
- Is a volunteer

The two most important factors are religion and community involvement.

Demographic and Socio-Economic Factors

Those with lower personal and household incomes are less likely to donate and will give a lower amount than those with high incomes. Similarly, those with higher education and in senior positions are more likely to donate and to donate larger amounts.

Table 3-9 Socio-Economic Factors Affecting Non-Religious Donations
(Occupation, Income, Education)

	Percentage Donating		Median Amount Donated	
	Canada %	Quebec %	Canada \$	Quebec \$
Overall Average	83	76	42	26
Annual Personal Income				
Less than \$10,000	80	77	23	22
\$10,000 - \$29,999	82	73	36	19
\$30,000 - \$39,999	89	86	69	60
\$40,000 or more	94	86	137	129
Annual Household Income				
Less than \$10,000	71	74	14	19
\$10,000 - \$29,999	78	67	24	14
\$30,000 - \$49,999	91	89	54	43
\$50,000 or more	92	88	100	85
Occupation				
Professional/manager	92	90	78	71
Medium Level	86	80	46	23
Lower Level	83	73	33	16
Education				
Some high school	76	66	24	15
Graduated high school	85	78	41	29
Vocation/technical/college/CEGEP	91	85	48	26
Some university/student	80	68	35	16
University graduate	89	94	104	92
Union Status				
Self	86	83	37	22
Family member	84	77	44	22
Non-member	82	72	41	26

Personal and Geographic Factors

Gender is a minimal factor in donating behaviour, except in Quebec. Those under 30 years of age are less likely to donate and will donate at a lower level. In terms of life cycle those who are married with children and those with children who have left home are the prime groups in terms of percentage donating to charities and the amount donated.

While ethnic variations are minimal, region is a significant factor in terms of the amount given. British Columbia is notably lower than the other regions except Quebec, both in terms of the percentage giving (82%) and the amount given (\$28). Community size variations are minimal. Winnipeg and Halifax are the most generous cities.

Table 3-10 Personal and Geographic Factors and Non-Religious Giving

	Percentage Donating		Median Amount Donated	
	Canada	Quebec	Canada	Quebec
<u>Overall Average</u>	%	%	\$	\$
	83	76	42	26
<u>Gender</u>				
Male	82	77	44	32
Female	84	75	40	23
<u>Age</u>				
18 - 24 years of age	74	62	17	8
25 - 29 years of age	80	68	28	15
30 - 39 years of age	86	83	50	35
40 - 49 years of age	86	76	47	28
50 - 59 years of age	87	82	63	53
60 years or more	86	78	60	49
<u>Life Cycle Stage</u>				
Single/under 30 years/no children	78	64	19	10
Single/with children	79	77	31	37
Single/30-49 years/no children	76	82	30	18
Married/under 40 years/no children	81	74	35	17
Married/with children	87	78	50	32
Married/40 years or older/no children	88	74	73	60
Single/50 years or older/no children	78	87	40	45
<u>Ethnicity</u>				
British	86	*	48	*
French	85	83	34	32
Northern European	89	*	55	*
Ireland	90	*	53	*
Eastern European	80	*	49	*
Mediterranean	85	*	38	*
Other	64	*	11	*

Table 3-11 Personal and Geographic Factors and Non-Religious Giving
(Con't)

	Percentage Donating		Median Amount Donated	
	Canada %	Quebec %	Canada \$	Quebec \$
<u>Region</u>				
British Columbia	82		28	
Prairies	86		50	
Ontario	88		55	
Atlantic	85		40	
<u>Community Size</u>				
Under 10,000	84	79	40	29
10,000 - 99,999	89	*	44	*
100,000 - 999,999	88	96	51	40
1 million or more	76	69	35	21
<u>Cities</u>				
Vancouver	82		40	
Calgary	86		48	
Winnipeg	87		65	
Toronto	84		53	
Montreal	74		27	
Halifax	90		59	

* Cell size too small to calculate amounts.

Religious and Community Factors

Those who claim to be very religious and attend religious services most frequently give larger amounts to charity. Similarly those who are most active in the community and belong to the most organizations are the most generous.

Table 3-11 Religious and Community Factors Affecting Non-Religious Giving

	Percentage Donating		Median Amount Donated	
	Canada	Quebec	Canada	Quebec
	%	%	\$	\$
<u>Overall Average</u>	83	76	42	26
<u>Religiosity</u>				
Very religious	83	82	57	44
Somewhat religious	84	72	44	25
Not too religious	82	73	34	17
Not at all religious	83	85	36	34
<u>Religious Attendance</u>				
Once a week or more	84	79	56	42
1 - 3 times a month	85	68	42	20
Less than once a month	94	*	59	22
Special occasions	81	76	35	19
Never	77	67	23	15
<u>Religion</u>				
Roman Catholic	81	77	36	26
Protestant	88	*	48	*
Other	74	*	37	*
Atheist/agnostic	88	*	59	*
<u>Donated to Religious Organization</u>				
Yes	89	78	64	49
No	79	75	27	18
<u>Community Involvement</u>				
Very Active	89	82	64	33
Somewhat active	85	64	56	27
Not very active	84	79	35	30
Not at all active	79	75	28	20
<u>Organizational Memberships</u>				
None	82	74	36	24
One	88	79	56	43
Two or more	93	90	85	58

* Cell size too small to allow meaningful analysis.

Religious Donors Support of Non-Religious Organizations

As Table 3-12 shows, the 42% of respondents who support only non-religious causes gave \$42 (Quebec \$32); the 42% who gave to both religious and non-religious causes gave a median amount of \$241 (Quebec \$169). This is a very major difference. (5% reported donations only to religious organizations and 11% no gifts at all.) As a result of this, though a smaller percentage of people donate to religious organizations (47%) than non-religious organizations, much more money is donated to religious organizations.

Table 3-12 Variations in Median Amount Donated by Type of Donation and Donor Types

	\$
Average	70
<u>Donation Type</u>	
Non-religious organizations	42
Religious organizations	137
<u>Donor Type</u>	
Non-religious only	42
Religious only	100
Religious and non-religious	241

Volunteering

Those who have been involved as volunteers are more generous in giving to both non-religious and religious activity than those who have not been involved as volunteers.

Table 3-13 Monetary Donations of Volunteers

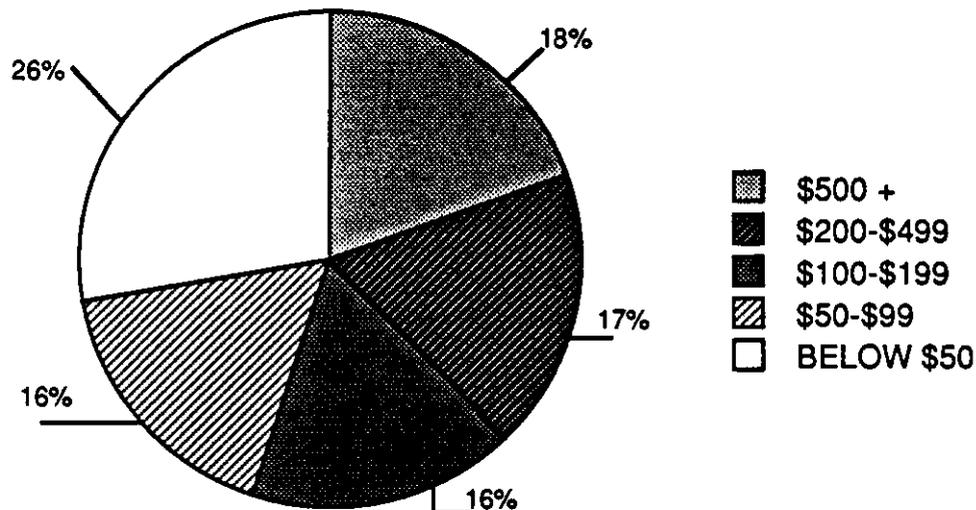
<u>Type of Donor</u>	<u>Have</u> <u>Volunteered</u> <u>in the Last Year</u>	<u>Have Not</u> <u>Volunteered</u> <u>in the Last Year</u>
	%	%
No donations	36	59
Non-religious donations only	52	47
Religious donations only	51	46
Both religious and non-religious	62	39
Non-religious donations (Median \$)	\$78	\$47
Total donations (Median \$)	\$187	\$85

4. Giving to Religious Organizations

a) Donation Behaviour of Canadians

The Decima survey shows that 47% of Canadians gave money to religious organizations in the past year. Chart 4-1 illustrates the size of gifts to religious organizations.

Chart 4-1 Religious Giving *



*by the 47% of Canadians who gave to religious organizations (Median gift \$137)

Note: Percentages do not add to 100% because of "no opinion" answers.

The following summary lists the factors associated with the most generous donors to religious organizations:

- Sixty years or older
- Married, age 30 to 50 with children
- Married, age 40 and over no children
- Single, age 50 and over no children
- Two income family
- Atlantic residents
- Professional or managerial occupation
- Annual personal income of \$40,000 or more
- University educated
- Very religious
- Regular religious attendance
- Active in the community
- Belongs to at least two organizations

Just under half (47%) of Canadians report that they gave money to religious organizations in the past year. Giving to religious organizations far exceeds support to the non-religious sector. The median amount given is \$137 (versus \$42) and 18% gave in excess of \$500 last year (versus 3% to non-religious).

b) Profile of Donors

Demographic and Socio-Economic Factors

There are few demographic and socio-economic factors that appear to affect religious giving. Canadians from all socio-economic situations donate to religious organizations. As in non-religious donations, higher income earners and households, professionals and the higher educated donate the most. But those at the lowest income level donate a higher proportion of their incomes than those at the higher levels (i.e. 2% versus 1%).

Table 4-2 Socio-Economic Factors Affecting Religious Donations
(Income, Occupation, Education)

	Percentage Donating	Median Amount Donated	
	%	\$	
<u>Overall Average</u>	47	137	Quebec not available due to insufficient respondents in each group.
<u>Annual Personal Income</u>			
Less than \$10,000	49	111	
\$10,000 - \$29,999	43	141	
\$30,000 - \$39,999	48	140	
\$40,000 or more	44	580	
<u>Annual Household Income</u>			
Less than \$10,000	41	121	
\$10,000 - \$29,999	45	102	
\$30,000 - \$39,999	50	155	
\$40,000 or more	45	269	
<u>Occupation</u>			
Professional/manager	47	191	
Medium Level	43	150	
Lower Level	46	104	
<u>Education</u>			
Some high school	48	127	
Graduated high school	44	136	
Vocation/technical/college/CEGEP	53	149	
Some university/student	39	81	
University graduate	54	270	
<u>Union Status</u>			
Self	40	117	
Family member	54	149	
Non-member	47	147	

Personal and Geographic Factors

Women, older Canadians, couples where children have left home, and older singles are the most likely donors to religious organizations.

Those in the Atlantic provinces are most likely to donate while those in British Columbia and Quebec are least likely. Those in small communities are more likely to donate to religious organizations and those in large communities less likely than the average.

Table 4-3 Personal and Geographic Factors and Religious Giving

	Percentage Donating	Median Amount Donated
	Canada %	Canada \$
<u>Overall Average</u>	47	\$137
<u>Gender</u>		Quebec not available
Male	43	162
Female	51	129
<u>Age</u>		insufficient respondents in each group.
18 - 24 years of age	33	41
25 - 29 years of age	32	77
30 - 34 years of age	39	142
35 - 39 years of age	55	151
40 - 49 years of age	52	185
50 - 59 years of age	56	168
60 years or more	63	172
<u>Life Cycle Stage</u>		
Single/under 30 years/no children	25	37
Married/under 40/no children	40	45
Single/30-50 years/no children	32	125
Single/with children	47	46
Married/ with children	52	171
Married/40 years or older/no children	58	197
Single/50 years or older/no children	61	145
<u>Ethnicity</u>		
British	48	143
French	49	98
Irish	43	148
Northern European	54	327
Other	29	50

	Percentage Donating	Median Amount Donated
	Canada	Canada
	%	\$
<u>Region</u>		
British Columbia	35	158
Prairies	50	173
Ontario	49	152
Quebec	41	73
Atlantic	63	159
<u>Community Size</u>		
Under 10,000/rural	55	146
10,000 - 99,999	49	155
100,000 - 999,999	48	157
1 million or more	36	111
<u>Cities</u>		
Vancouver	29	122
Calgary	38	159
Winnipeg	51	177
Toronto	42	122
Montreal	31	104
Halifax	46	139

Religious and Community Factors

Those who define themselves as religious and attend services regularly are the most likely to donate and give the highest amounts to religious groups. Differences by religion in terms of percentage donating are minimal but non-Christian religions give substantially more than Christians. Among the latter, Protestants donate more than Catholics.

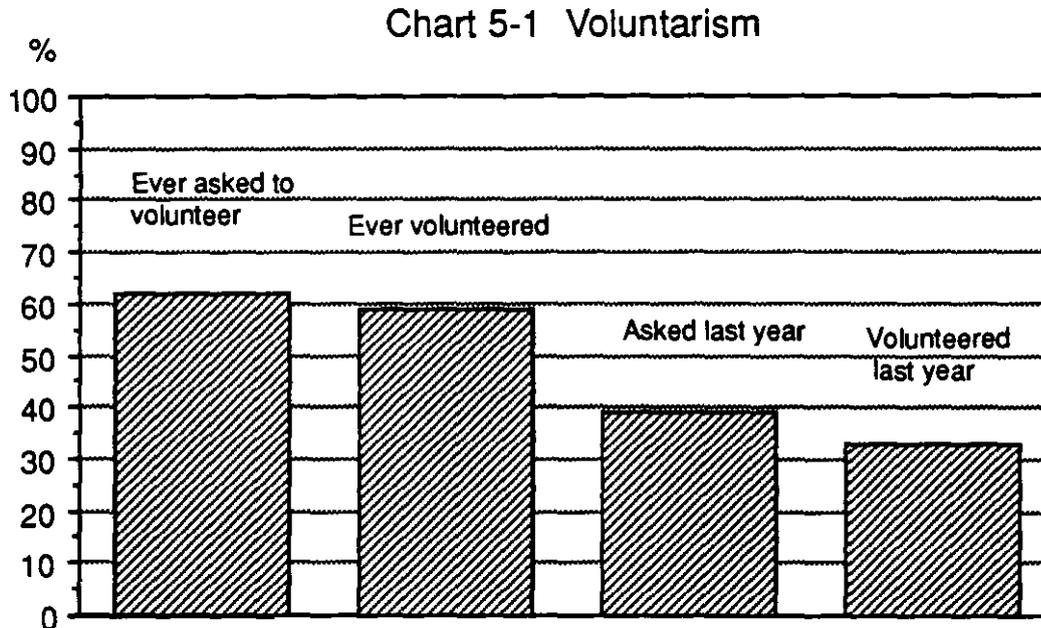
As in the findings for giving to non-religious organizations, those who are active in the community and belong to two or more organizations are likely to give a larger amount to religious organizations.

Table 4-4 Religious and Community Factors Affecting Religious Giving

	Percentage Donating	Median Amount Donated	
	Canada	Canada	
	%	\$	
<u>Overall Average</u>	47	\$137	Quebec not available due to insufficient respondents in each group.
<u>Religiosity</u>			
Very religious	72	484	
Somewhat religious	59	133	
Not too religious	32	110	
Not at all religious	13	50	
<u>Religious Attendance</u>			
Never	11	110	
Special occasions	23	60	
Less than once a month	58	48	
1 - 3 times a month	74	102	
At least once a week	80	460	
<u>Religion</u>			
Roman Catholic	49	121	
Protestant	51	162	
Other	52	523	
None	17	64	
<u>Community Involvement</u>			
Very Active	66	181	
Somewhat active	53	159	
Not very active	44	89	
Not at all active	35	151	
<u>Organizational Memberships</u>			
None	45	134	
One	53	156	
Two or more	55	177	

5. Voluntarism

As Chart 5-1 shows, almost 60% of Canadians polled (46% Quebec) say that they have done volunteer work at some time in their lives. In the past year 33% (28% Quebec) have been involved as volunteers. It is also important to note that 85% of those asked to volunteer in the past year did so.



The Decima report states, "The data suggest a basic conclusion: people respond when asked to volunteer. That statement is simplistic of course, but suggests that better mechanisms, which are designed to reach people on a personal level, will increase the level of voluntary activity in Canada." This is an important point that organizations should take to heart.

Demographic Factors Affecting Voluntarism

The following is a summary of the factors associated with those most likely to have been volunteers in the past year.

- Women (the difference between men and women is 6% in favour of women)
- People between the ages of 30 and 60 (particularly those aged 40-49)
- University graduates
- The employed (particularly those with part-time jobs)
- Women employed part-time
- Married or formerly married
- People who live in households with children (particularly those with three or more children)
- People who live in households earning over \$50,000
- Residents of Western Canada and the Atlantic Provinces
- Residents of Vancouver and Calgary

Table 5-2 Volunteer Survey – Demographics: Percentage of Those Reporting Ever Volunteering Who Have Undertaken Volunteer Work in the Last Year

	%
<u>Overall Average</u>	57
<u>Gender</u>	
Male	53
Female	59
<u>Age</u>	
18-24 years	52
25-29 years	52
30-34 years	60
35-39 years	60
40-49 years	69
50-59 years	60
60 years or older	41
<u>Education</u>	
Some high school	51
Graduated high school	55
Vocational/technical	52
Some university/at school	64
Graduated university	66
<u>Employment status</u>	
Employed full-time	58
Employed part-time	60
<u>Occupational level</u>	
Professional/management	61
Medium level	59
Lower level	55
<u>Gender and Job Status</u>	
Male, employed full-time	57
Female, employed full-time	59
Male, employed part-time	53
Female, employed part-time	63
Male, not employed	41
Female, not employed	59
<u>Household Income</u>	
Less than \$10,000	53
\$10,000-\$19,000	44
\$20,000-\$29,999	55
\$30,000-39,999	60
\$40,000-\$49,999	49

<u>Personal Income</u>	
Less than \$5,000	60
\$5,000-\$9,999	49
\$10,000-\$19,999	50
\$20,000-\$29,999	64
\$30,000-\$39,999	54
\$40,000 and over	61

<u>Union Membership</u>	
Self	54
Family member	53
Non-member	58

<u>Marital Status</u>	
Single	52
Married/common law	58
Widowed/separated/divorced	58

<u>Family Life Cycle</u>	
Single/no children/under 30	45
Married/no children/under 40	60
Married/children	61
Single/no children	61
Single/children	65
Single/no children/50 plus	49
Married/no children/40 plus	51

<u>Children at Home</u>	
None	52
One	51
Two	64
Three or more	69

<u>Region</u>	
British Columbia	65
Prairies	65
Ontario	49
Quebec	54
Atlantic	65

<u>City</u>	
Vancouver	66
Calgary	62
Winnipeg	53
Toronto	56
Montreal	60
Halifax	57

Just as those who are most likely to make financial donations are those who perceive themselves to be religious and/or are involved in other community activities, the same applies to volunteering. In addition, donations of time and money go together. Those who have volunteered in the past year are those most likely to give to religious and non-religious activity and vice versa.

Organizations Volunteered For and Activities Undertaken

Those polled were asked to identify three organizations they had volunteered for in the past year. The following table shows the most frequent responses.

Table 5-3 Organizations Volunteered For in Past Year
(Up to three organizations per respondent)

	%
Church/synagogue	35
Minor sports	10
Cancer Society	9
Community Centre	7
Red Cross	5
United Way/Centraide	5
Heart Fund	5
Guides/Scouts	5

As in financial support, religious institutions are significantly ahead of others in terms of volunteers. Through religious services there are the opportunities to recruit individuals to volunteer and it is accepted as part of being a member of many religious organizations. As the Decima report notes, "The relative success of religious organizations in recruiting volunteers suggests greater success in putting these same conditions in place in society as a whole will help increase voluntarism overall."

However, organizations would do well to note the types of activities volunteers report having been involved in versus what they would prefer to do.

Table 5-4 Volunteer Activities Undertaken in the Last Year
Versus Those Preferred

Key: (1) Undertaken (2) Prefer

	<u>Canada</u>		<u>Quebec</u>	
	(1) %	(2) %	(1) %	(2) %
Fund-raising	37	25	26	12
Clerical/secretarial	7	11	10	13
Boards/committees	18	22	22	24
Delivery services	37	39	41	49

Hours Volunteered

Of the Canadians involved as volunteers in the past year, the median amount of time spent at such activity is 4.5 hours per month. While Quebecers are less likely to volunteer than those elsewhere, those who do volunteer donate 7.4 hours per month.

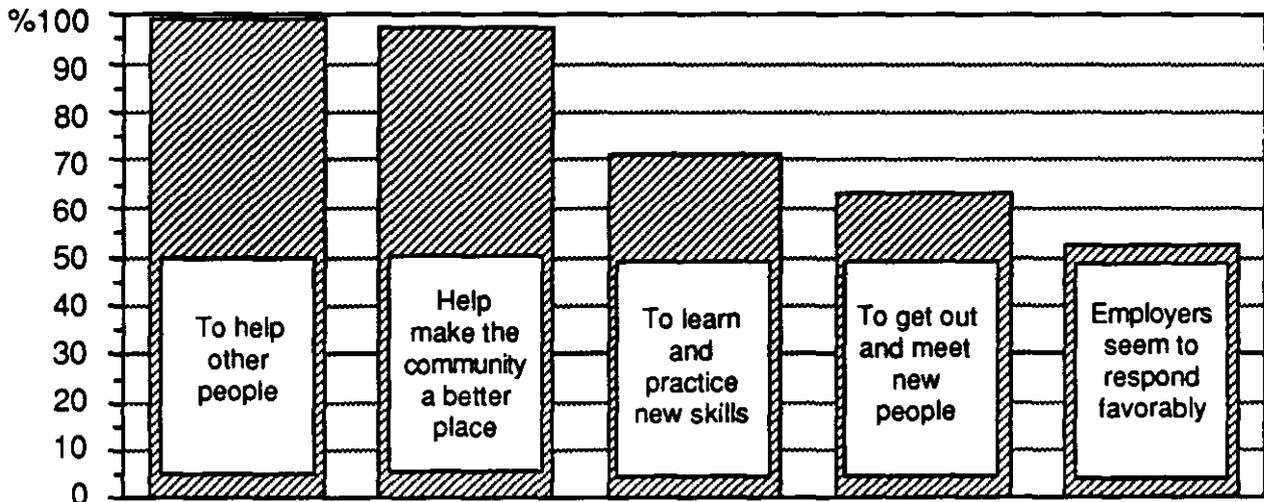
Table 5-5 Hours Per Month Doing Volunteer Work in the Last Year

	<u>Canada</u> %	<u>Quebec</u> %
Less than 5 hours	51	42
5-9 hours	16	15
10-19 hours	15	19
20-29 hours	8	11
30 hours or more	7	11

Reasons for Undertaking Volunteer Work

As can be seen from the following chart, helping other people is given most often as the reason for volunteering. People under 30 years of age, singles and those who do not belong to any clubs or associations are relatively more likely to say meeting people is their prime motive. Those under 24 years of age and people who do not make financial donations are more likely than other people to say they volunteer because their employers react positively.

Chart 5-6 Reasons for Volunteering
(Very or Somewhat Important)



Satisfaction with Volunteer Work

Those who get involved in volunteer activity have positive views of their experience, as shown in Table 5-7:

Table 5-7 Overall Description of Volunteer Work

	%
Very satisfying	49
Somewhat satisfying	43
Not very satisfying	6
Not at all satisfying	2

Potential Volunteers

The 40% of adult Canadians who have never done volunteer work were asked the following question:

If you were asked to volunteer some of your spare time to a charitable or non-profit organization, would you be very likely, somewhat likely, not too likely, or not at all likely to agree to help?

Table 5-8 Likelihood of Volunteering Among People Who Have Never Done Volunteer Work Before

	<u>Canada</u> %	<u>Quebec</u> %
Very likely	8	7
Somewhat likely	35	31
Not too likely	25	22
Not likely at all	26	30

The Decima report states, "When those who have never done volunteer work, but say they would be likely to if asked, are described in terms of the population overall, this translates into 18% of Canadians saying they would be very (4%) or somewhat (14%) likely to offer some of their spare time if asked. Obviously, this is not an insignificant proportion of the population." The median amount of time those somewhat likely to volunteer for the first time say they would be prepared to volunteer is a median of 9 hours per month.

Contact to Get Involved

40% of those who say they would know who to contact to get involved would contact a specific organization directly; 26% would contact a volunteer referral organization; 18% would talk to a friend and 12% would contact somebody where they work.

6. The Operation of Charitable Organizations

Administration and Donating

Most Canadians believe that charities are run in a business-like manner; 76% of respondents disagree with the statement that "charities and other non-profit organizations are run by disorganized amateurs".

When it comes to making donations, 51% of survey participants say they always (24%) or often (27%) think about how well a charitable organizations is run before making a donation decision. A further 29% sometimes think about this.

Attitudes Towards Operating Costs

41% of respondents felt that operating expenses were too high while 58% felt charities kept expenses as low as they could. When asked to estimate on average how many cents donated to a charity go directly into supporting the charity's cause, rather than being used for administrative and office expenses, the average guess was 49¢. However, 59% of Canadians believe that 50¢ or less of every dollar donated goes directly to supporting a charity's cause. Even amongst those saying charitable organizations make a very positive contribution to society, 46% believe that 50¢ or less goes directly to a charity's cause, while 45% of those donating \$75 or more believe this. (The fact is that Revenue Canada requires that no more than 20% of receipted revenues be spent on all administrative costs including those for fundraising.)

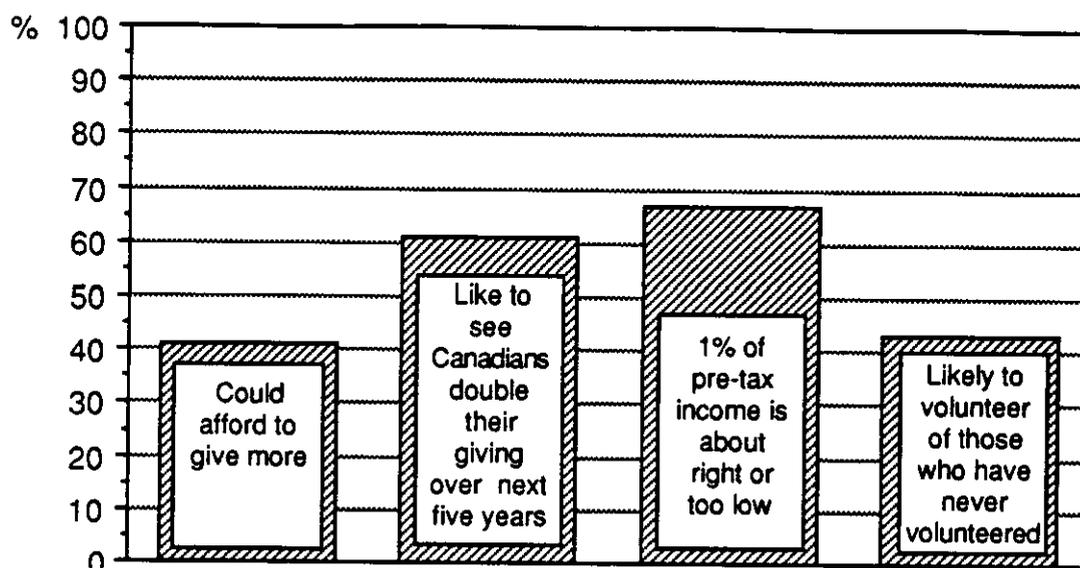
Monitoring

61% of those polled believe that the way charities spend donations should be more closely monitored and half say this way they would be more likely to make donations, particularly among those concerned about operating expenses.

It is also generally believed that improved monitoring should be administered by charities themselves (70%) rather than government (29%).

7. The Potential for Canadians to Give More

Chart 7-1 Indications of a Higher Potential



As Chart 7-1 illustrates:

- 41% (Quebec 43%) believe they could afford to give more financial support. Even those presently donating the lowest amounts of money believe they could afford to give more.

The median gift of the 41% who state they could afford to give more is currently \$68.

The amount they say they could give in the future is \$127 or \$59 more than their current donation. This represents an 87% increase.
- 61% agree with the statement, "I'd like to see Canadians double the amount of money they donate to charities and other non-profit organizations over the next five years."
- 67% of Canadians (64% Quebec) believe that giving 1% of pre-tax income to charity is about right or even too low.
- Those polled felt Canadians should be giving a median dollar amount of \$72 (\$63 Quebec) instead of the current \$42 to non-religious activity.
- Of the 40% of adults who have never volunteered, 43% (38% Quebec) said they would be very likely (8%) (7% Quebec) or somewhat likely to volunteer some of their spare time.

There are actions that charities could undertake immediately that could have some impact on giving. The Decima survey found that a majority of Canadians, 57% (Quebec 66%), are not

aware of the tax benefits of giving. Yet 78% who claim to be aware of the tax aspects state that it has an impact upon the amount they give. These findings are also supported by a similar study conducted by Gallup Canada in 1984.

There are many charities that have established a good base of donors to their annual appeals but have done nothing to establish bequest programs. The Decima Report notes that "giving through wills is one of the mechanisms which the charitable sector could pursue even without a change in current attitudes." This comment is based on the fact that while 8% of Canadians (Quebec 4%) have made a will in which they leave money to charity, 24% (Quebec 18%) of those who have not made a will would consider leaving a bequest to charity.

8. Conclusions

The 1987 Decima survey shows that Canadians have a very positive attitude towards charitable and non-profit activity. This was also the finding in the **1984 Gallup Study of Attitudes Toward Giving and Volunteerism**. As we have seen, a very large percentage of Canadians - 89% - gave financial support to charitable and religious organizations. The problem is not the percentage giving but the dollar amount that is donated. Canadians are giving less of their pre-tax income in the form of donations than in the past.

In terms of volunteering, 59% of Canadians (49% Quebec) have been involved as volunteers at one time or another and 33% (28% Quebec) in the past year.

One of the major problems that charities and non-profit organizations have is the low profile the sector has. People think very well of the sector but they don't think about the sector very often. The sector occupies a "low share of mind".

Indicative of this is the fact that individuals do not organize their giving to charitable and non-profit organizations, particularly non-religious organizations. The fact is that only 11% of Canada's total population budgets its charitable giving.

The Decima report states, "In many ways, a substantial number of Canadians appear to take the position that increasing donations is a good idea for someone else." In other words, many Canadians do not appear to have a sense of personal responsibility regarding donating to charities. Rather, it is the responsibility of someone else.

There is a complacency towards giving — 68% of those surveyed believe that Canadians are very or somewhat generous and 73% felt that Canadians are more generous than Americans. The record shows that Canadians are substantially less generous than in the past and Americans are three times as generous.

This being said, there is ample reason to believe that there is the possibility of substantially increasing the amount of time and money Canadians give to charity, particularly in light of:

- a) the positive attitudes towards charitable and non-profit organizations, and
- b) the fact that a significant percentage of Canadians recognize that they could give more.

CHAPTER THREE

CORPORATE PHILANTHROPY

To open the subject of corporate giving, we recall a 1986 Decima quarterly report on the attitudes of individual Canadians to corporate philanthropy:

"8 out of 10 Canadians believe that corporations have a responsibility to provide financial support to charities and non-profit organizations, with half of this group viewing it as a major corporate responsibility."

In other words, Canadians overwhelmingly expect corporations to make charitable donations. The data in this report show how business sees its expected role as a supporter of charitable organizations. This information is organized under the following headings:

- | | |
|--|------------|
| 1. Corporate Attitudes towards Donations | Charts 1-3 |
| 2. Corporate Donation Practices | Charts 4-5 |
| 3. Donations in Relation to Attitudes and Practice | Charts 6-7 |
| 4. Where Donations Go | Charts 8-9 |
| 5. Event Sponsorship | Chart 10 |
| 6. Payroll Deductions | Chart 11 |
| 7. Employee Voluntarism | Chart 12 |

The data were gathered by Decima Research in the fall of 1987 from interviews with senior executives in companies of two types:

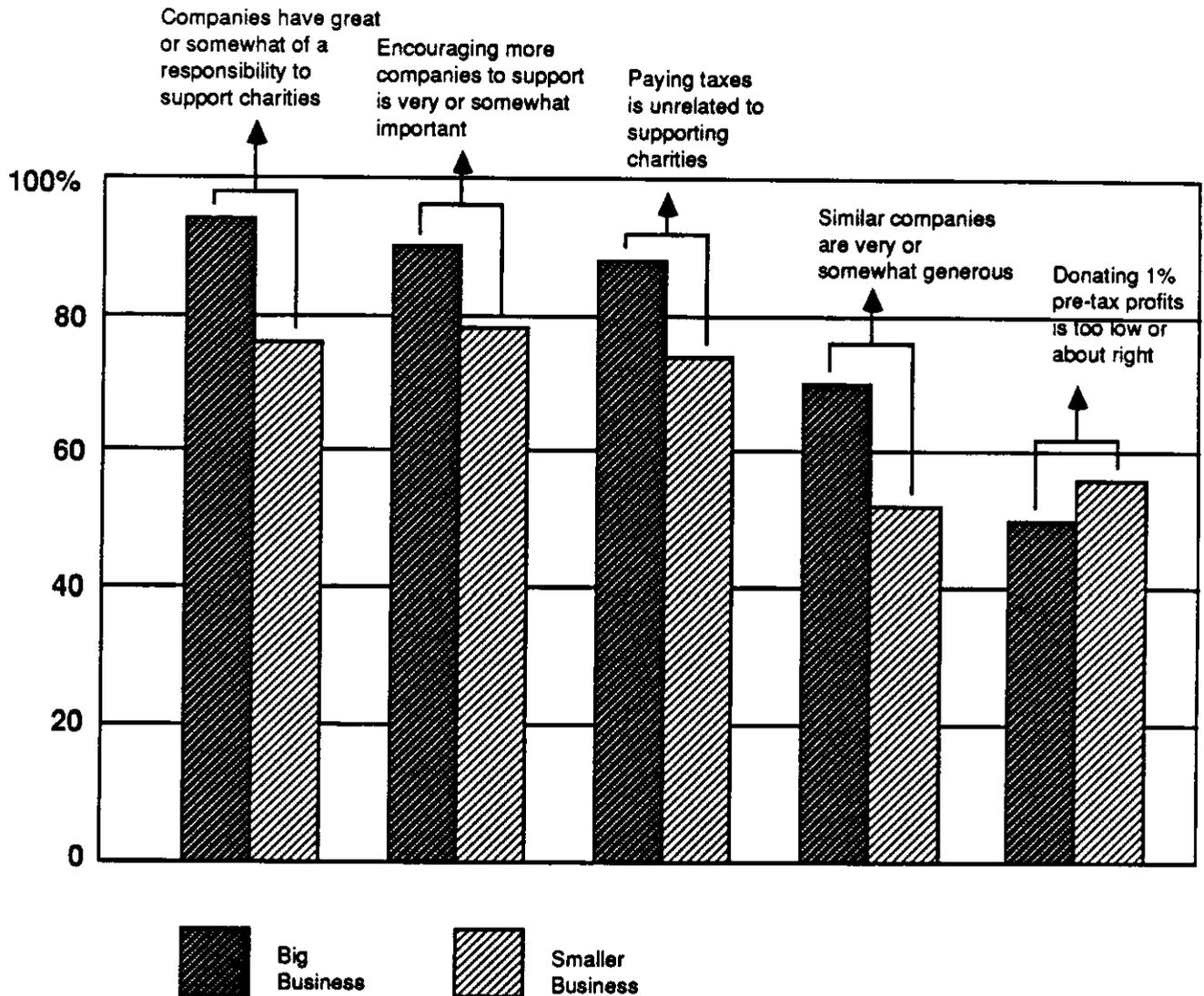
134 of Canada's largest corporations, and
228 smaller companies with revenues between \$1 million and \$40 million and at least 20 employees.

Data from such small samples have a wider range of statistical error than that quoted in the public attitude survey. However, the indications, we believe, are quite reliable.

Phelps Bell
Director, Corporate Program
Imagine

1. Corporate Attitudes Towards Donations

Chart 1 Companies' Views on Donations



Decima found that corporate attitudes are generally supportive of the concept of corporate philanthropy. As shown on Chart 1, 90% or more of the big companies said that:

- companies have a great or somewhat of a responsibility to help charitable organizations (even higher than the opinion of the public as a whole)
- encouraging more companies to contribute to charitable organizations is very or somewhat important, and
- paying taxes has nothing to do with supporting charities. In other words, they disagreed with the view that they pay enough in taxes and that supporting charities is up to the general public and government.

Chart 1 (continued)

Smaller companies, too, largely subscribe (74-79%) to these attitudes. However, the level of support is lower, a fact that recurred throughout the survey.

Somewhat in contrast to this positive attitude are the other two opinions reported on Chart 1. 69% of the big companies and 52% of the smaller ones believe that companies similar in size to themselves already tend to be very or somewhat generous in their giving. As to donating 1% of pre-tax profits, about half the companies of both sizes feel it is too low or about right. However, the other half feel it is too high (43%/39%) or have no opinion (10%/9%). Taken together, these attitudes show that many companies are satisfied with the current level of corporate donations, despite the high level of support for it that they profess.

Chart 2 Companies' Reasons For Donating
 % Very or Somewhat Important

	Big Business %	Smaller Business %
Improving the quality of life within the communities that you operate in.	94	88
Because companies have a responsibility to help charitable and other non-profit organizations	90	78
Because you or another senior officer personally believe it is important to contribute	88	85
The level of profitability of the company	84	87
Because the company has a tradition of giving	71	58
It is an opportunity to promote the image of the company within the community	71	56
The tax deductions that are available	69	56
Because clients, business associates, or customers expect your company to make a donation to the cause you are fundraising for	57	21
Because your employees expect the company to donate to charities and other non-profit organizations	45	39
Because companies of similar size and type also give	42	18

Looking further into corporate attitudes, Chart 2 shows the reasons for making charitable donations which companies said are either very or somewhat important. The top four reasons predominate and are the same for both big and smaller companies. It is not easy to interpret the "level of profitability" reason, but the other three all indicate acceptance of responsibility for helping to achieve or maintain a quality of life in the community. The lower six reasons are less altruistic and reflect to different degrees a need to conform to the patterns of the past or to other pressures. In every case, the smaller companies are less supportive. In particular, they are much less swayed by employee expectations or the practices of similar companies.

Chart 3 Possible Impediments to Corporate Donations

% Very or Somewhat Important

	Big Business %	Smaller Business %
The level of profitability of the company	84	85
Don't know enough about charitable and non-profit organization to choose recipient organizations	40	51
The number of requests received	29	50
Companies should not be in the business of assisting the charitable sector	10	34
Making donations is too complicated to administer	5	22

In contrast to previous charts, Chart 3 shows the possible impediments to giving which companies said are either very or somewhat important. The overwhelming reason for not giving is the level of profitability of the company. It is no surprise that unprofitable companies put their survival ahead of donations or that companies turn down more requests or cut back donations when profits are suffering, as evidenced in 1982. The next three reasons given reflect the companies' state of readiness and willingness to be a donor. Smaller companies are particularly concerned with these issues and see them as major impediments to company giving.

The good news is that only 10% of the big companies take the ideological stand that companies should not assist charities. Typically a company or executive with this view believes that shareholders' funds should not be dispensed other than in pursuit of profits for the shareholders. Again, smaller companies are more likely to voice this opinion (34%).

2. Corporate Donations Practices

In comparison to attitudes on corporate giving, answers on actual company practices are probably less subjective. Chart 4 shows that virtually all the businesses surveyed feel that they are often approached for donations, and just as often give money to charitable organizations. The amount given varies widely reflecting the size of the donor company. The median big company made donations of \$206,000 in the last fiscal year and they went to 115 different organizations. 10% of the big companies gave less than \$5,000 but 32% gave over \$500,000.

As to administrative practices for donations, around 85% of the big companies have a set of policies or procedures for handling them and a budget set aside. In comparison, and despite the frequency with which they are approached and do donate, only about 50% of the smaller companies have such practices. The result, of course, is that the other 50% are unprepared to handle donation appeals and say "yes".

Chart 4 Current Practices in Corporate Donations

	Big Business*	Smaller Business**
Approached to donate very often or often	98%	87%
Gave money in the last fiscal year	99%	93%
-Amount given (median)	\$206,000	\$3,100
-Number of organizations given to (median)	\$115	\$19
Have set of practices or procedures for handling corporate donations	81%	44%
Have a budget for charitable giving	88%	54%

* Median assets \$875 million, median employees 4100.

** Median assets \$14 million, median employees 52.

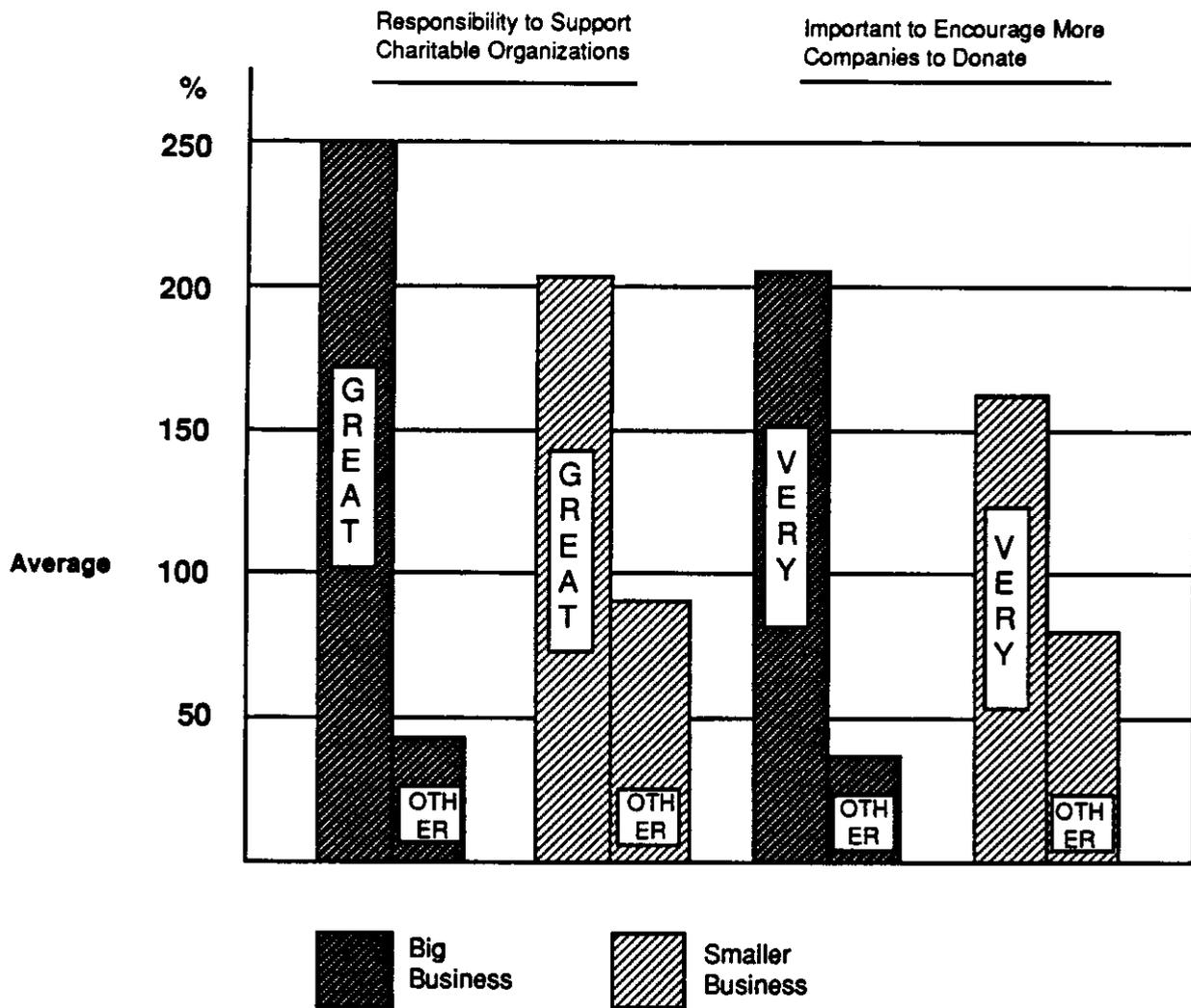
Chart 5 Non-Financial Donations

	Big Business %	Smaller Business %
Gave or loaned equipment or supplies	51	34
Loaned employees	51	20
Contributed advertising space	52	44
Gave services of some kind	50	33
Had matching gift program in which company matched employees' donations	36	16

Chart 5 shows that companies were active in donating in several ways, in addition to giving money. About half of the big businesses report they support charitable organizations in each of the ways listed. Again, relatively fewer smaller businesses go beyond cash donations.

3. Donations in Relation to Attitudes and Practices

Chart 6 Donations in Relation to Attitudes



The Decima research made clear that companies' attitudes and practices with respect to charitable donations are fully reflected in their actual giving. Chart 6 illustrates this relationship for two measures of attitudes. Both the big and the smaller companies which say that companies have a great responsibility to support charitable and non-profit organizations, donated over twice the average. In contrast, companies with any other views gave only a small part of the average.

A similar relationship is apparent in Chart 6 for those companies which feel it is very important to encourage more Canadian business to contribute to charitable and non-profit causes. Companies of all sizes with a strong view on this point contributed much more than those with any other opinion.

Chart 7 Donations in Relation to Practices

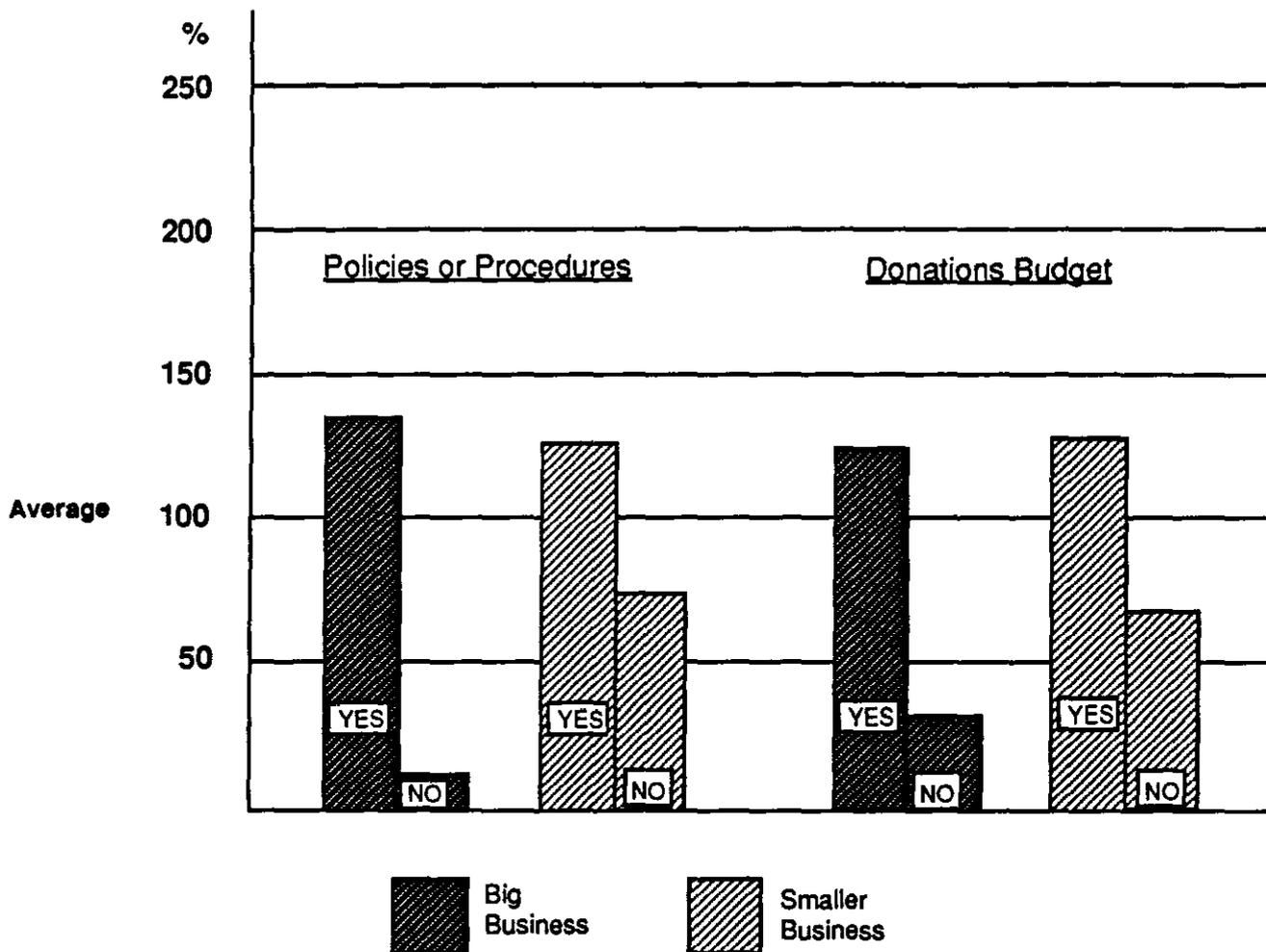


Chart 7 compares the median donations of companies with and without policies, procedures and budgets for donations. Those companies of any size having the administrative procedures in place for corporate giving donate much more than those which are not so prepared.

The conclusion from these last two charts is obvious - positive attitudes and businesslike procedures for corporate donations go hand in hand with much higher donations. The challenge is to bring more companies into a highly positive frame of mind towards donations.

4. Where Donations Go

Chart 8 Areas Companies Most Often Support
First and Second Mentions

	Big Business %	Smaller Business %
Health and the prevention and control of illness	69	57
Social and welfare services	30	31
Education including colleges and universities	54	10
Arts and culture	14	7
Community organizations	16	40
Recreation and amateur sports	7	36
Organizations assisting the third world	2	4

Chart 8 indicates where corporate donations are going and is based on the type of charitable organizations mentioned first and second as receiving the most support from the companies interviewed. For both big and smaller companies, health or illness prevention and control is far in front of any other type of organization. Social and welfare services also receive strong support from companies of all sizes.

A dramatic contrast is apparent in the support for the next four categories. Big companies are much more apt to support universities, which typically have capital and long term benefit appeals. They are also attracted by arts and culture possibly because of the sponsorship potential. In contrast, smaller companies give much greater support to community organizations and to amateur sports the small and local institutions more akin to themselves.

Chart 9 Charities Most Given To *
(up to 5 responses)

	Big Business %	Smaller Business %
United Way /Centraide	63	39
Schools	25	3
Hospitals	18	15
Cancer Society	15	22
Heart Foundation	10	16
Salvation Army	7	9
Red Cross	5	5
Y.M.C.A.	4	0
Diabetes	2	4
Community Centres	2	4
Minor sports	1	13
CNIB	1	4
Handicapped	1	4
Church	0	5
Crippled Children	0	4

* 4% and above response in either size of business

Chart 9 lists the charitable organizations which companies named as those they give to most on a regular basis. As expected, the answers parallel the areas which companies most often support.

5. Event Sponsorship

Decima explored both the practices and attitudes of the big companies to the sponsorship of events which are often intended to raise the profile of the company and to enhance its marketing programs. Chart 10 shows the answers received.

Chart 10 Event Sponsorship Big Companies Only

- | | |
|-----|--|
| 59% | Sponsored events in the past year or so. Of the sponsoring companies, 55% view sponsorship as part of donating to charitable organizations rather than something separate. |
| 65% | Consider that sponsorship is very different from other donations. |
| 28% | Believe event sponsorship threatens more traditional forms of corporate donating. |

6. Payroll Deduction

Research into the prevalence of payroll deduction systems for charitable donations found that the vast majority of big businesses have them in place, while only 22% of the smaller companies have them. Chart 11 shows the attitudes and reasons given by those companies without payroll deduction. Among companies of any size without payroll deductions, the great majority do not want it, and the majority's view is that it interferes with the employee's personal rights.

Chart 11 Why No Payroll Deduction?

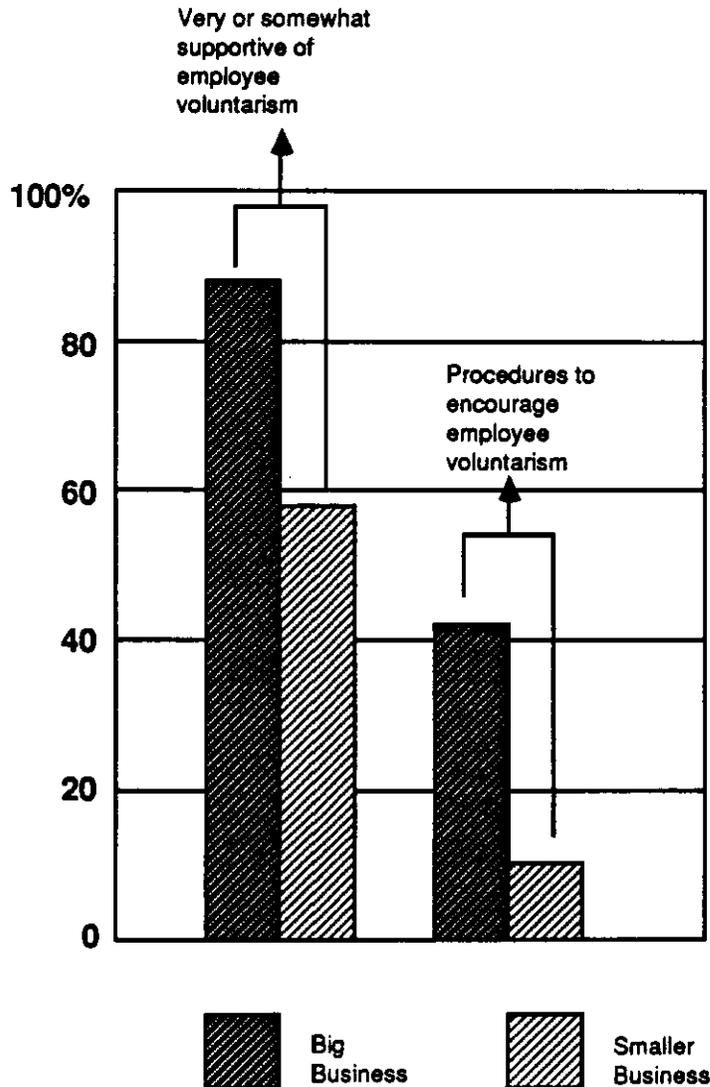
	Big Business %	Smaller Business %
Poor or very poor idea	79	72
Main objection		
• Companies have no right to ask employees to contribute to charities through payroll deductions	58	54
• Expensive and time consuming to administer	26	19
• Employees opposed to it	11	23

Those companies with payroll deduction were asked for their view of the United Way campaign in the workplace collecting donations for other charities. The reaction was mixed with 53% of big business and 57% of smaller business considering this move either a good or very good idea.

7. Employee Voluntarism

The answers to questions about employees' volunteer activities are shown in Chart 12. The great majority (84%) of big companies are very or somewhat supportive of the idea of actively encouraging employees to undertake volunteer activities: 41% say they have such programs, policies or procedures in place. While there is clearly an opportunity here to expand employee voluntarism, the smaller companies present a greater challenge. Their support for the concept is much lower (58%) and only 11% have programs in place.

Chart 12 Employee Voluntarism



Summary

Corporate donations have grown strongly but

- as to the future, nearly half the companies believe 1% of pre-tax profits is about right or too low a level of donations.

Corporate attitudes towards the concept of charitable donations are highly favourable but

- most companies believe their fellow companies are already generous and,
- smaller companies are less supportive and often unprepared to administer a donations program.

Companies with highly positive attitudes towards corporate charitable support and with adequate donation systems in place are already substantial donors. To stimulate higher donations from less generous companies will require an improvement in their attitudes.

Most companies support the concept of employee voluntarism and the great majority of big business have payroll deduction systems for charitable donations, but

- both big and smaller companies without such a system largely do not want it.