

CHARITY FACTS

1993

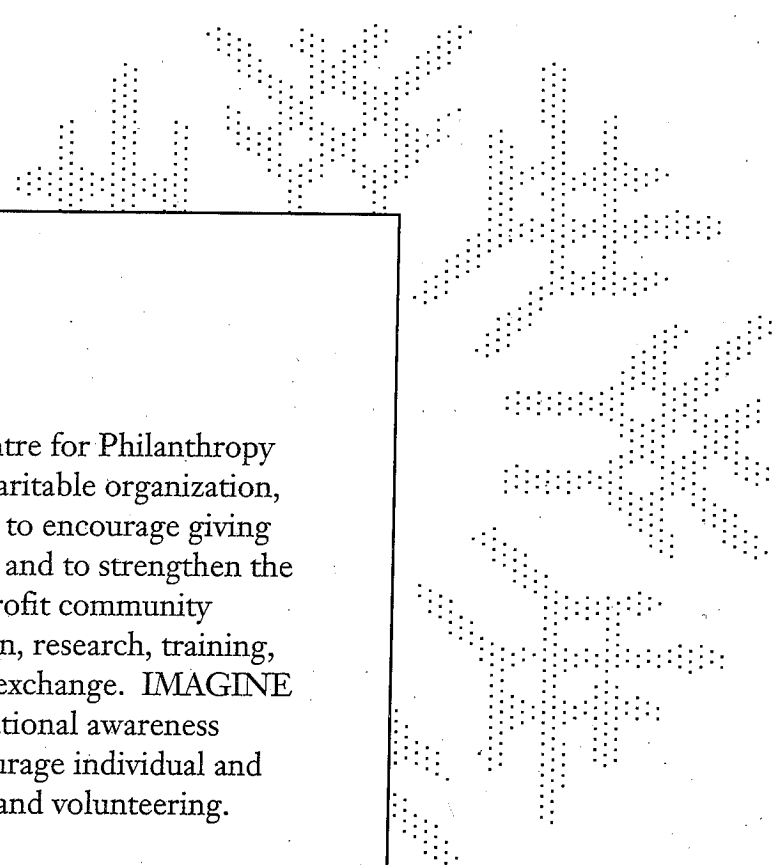
**INFORMATION ON GIVING,
VOLUNTEERING, AND THE
CHARITABLE SECTOR IN CANADA**



The Canadian Centre for Philanthropy
Le Centre canadien de philanthropie



A New Spirit of Giving
La Générosité réinventée



The Canadian Centre for Philanthropy is a registered charitable organization, founded in 1980, to encourage giving and volunteering and to strengthen the charitable non-profit community through education, research, training, and information exchange. **IMAGINE** is the Centre's national awareness program to encourage individual and corporate giving and volunteering.

As part of its mandate, the Centre gathers and disseminates information, such as this compilation of facts about the charitable sector.

Charity Facts is updated annually, using the most recently available information from a variety of sources. It contains facts and figures on individual and corporate giving, individual volunteering, and on the size and scope of the charitable sector.

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INDIVIDUAL GIVING

CANADIAN DONATIONS BY INDIVIDUALS

	DONATIONS (billions)*	INCOME (billions)*	% INCOME
1986	\$3.75	\$426.4	0.79%
1987	\$3.75	\$461.2	0.81%
1988	\$3.99	\$506.04	0.79%
1989	\$4.37	\$549.20	0.79%
1990	\$4.72	\$589.55	0.80%
1991	\$4.87	\$607.35	0.80%

* *The Canadian Centre for Philanthropy estimates*

+ *Canadian Economic Observer, Historical Statistics Supplement, 1992*

The figures for Total Charitable Donations are The Canadian Centre for Philanthropy's best estimates. They are derived from a formula that uses the amounts claimed by Canadian tax-filers on their T1 returns and relates them to Statistics Canada's statistics on Personal Income for the country.

STATISTICS CANADA, SMALL AREA AND ADMINISTRATIVE DATA DIVISION

- In 1991, 18.4 million Canadians filed T1 individual tax returns. Of these, 5.482 million claimed charitable donations. This reflects a 2.9% increase in the number of tax-filer donors over 1990, and a rise in the "donor rate" among tax filers from 29% to 30%.
- The total amount of donations claimed by tax filers in 1991 was \$3.1 billion. This is an increase of \$207 million over 1990, or a rise of 7%.
- The average amount claimed in donations by tax-filer donors was \$567, which is 4.2% more than the \$544 average in 1990. The median amount claimed (half of tax-filer donors claimed less and half claimed more) was \$130, up 8% from 1990.
- Average donations were, as usual, generally higher in the prairie provinces.

AVERAGE DONATIONS CLAIMED BY TAX-FILERS (1991)

Newfoundland	\$518	Manitoba	\$616
P.E.I.	\$562	Saskatchewan	\$663
Nova Scotia	\$497	Alberta	\$693
New Brunswick	\$599	B.C.	\$680
Quebec	\$326	N.W.T.	\$716
Ontario	\$631	Yukon	\$658
CANADA	\$567		

- Because average figures can be skewed by a small number of large figures at the upper end of the scale, many people prefer to use median figures as the measure of a “typical” donation. Median figures help to reveal the pattern of donations among the middle-range donors in a population.

MEDIAN DONATIONS CLAIMED BY TAX-FILERS (1991)

Newfoundland	\$230	Manitoba	\$140
P.E.I.	\$220	Saskatchewan	\$200
Nova Scotia	\$160	Alberta	\$130
New Brunswick	\$210	B.C.	\$130
Quebec	\$ 80	N.W.T.	\$170
Ontario	\$150	Yukon	\$110
CANADA	\$130		

DEPARTMENT OF MULTICULTURALISM AND CITIZENSHIP CANADA (MCC), STATISTICS ON CANADIAN TAX FILER DONA- TIONS IN 1986 AND 1987. RELEASED 1992.¹

Donations to Registered Charities is based on an in-depth statistical analysis of a large sample of Revenue Canada data on donations claimed by Canadian tax filers in the 1986 and 1987 tax years. It is the first detailed study to reveal the destinations of Canadians' charitable donations as reported through the tax system. Although the T1 data does not cover all giving to Canadian charities, it is excellent in its detail and reliability. The study presented data on the 1986 and 1987 tax years. For the sake of brevity, and because the percentages did not change significantly from one year to the next, we are presenting only the data from 1987. Before 1988, donations were treated as deductions from taxable income. In 1988, this became a credit against taxes payable.

1. *Donations to Registered Charities: Revenue Canada Taxation data for 1986 and 1987.* Produced by the Voluntary Action Directorate of the Department of Multiculturalism and Citizenship Canada.

- In 1987, 17.1 million Canadians filed taxes. Of these, 4.945 million, or 24.2%, claimed charitable donations. This tax-filer/donor rate was up from 23.6% in 1986.
- These donations totalled \$2.48 billion, up 12% from the previous year.
- Tax Filers made their donations to the six major categories of charitable activity, in the following way:

INDIVIDUAL CHARITABLE DONATIONS CLAIMED ON T1 TAX RETURNS IN 1987 BY CATEGORY OF CHARITABLE ORGANIZATION

	SHARE OF ALL DONORS WHO SUPPORT THIS CATEGORY	AVERAGE AMOUNT DONATED PER SUPPORTER OF THIS CATEGORY	THIS CATEGORY'S SHARE OF ALL DONATIONS
Religious	53%	\$635	67%
Health	50%	\$77	8%
Welfare	42%	\$124	10%
Education	12%	\$381	9%
Benefits to the Community	12%	\$110	3%
Other	23%	\$58	3%
TOTAL	—	\$497	100%

Note: The Sum of the "Share of All Donors" percentages exceeds 100 because many donors support more than one kind of organization.

IMAGINE/DECIMA SURVEY, 1991

This public-opinion survey was conducted in 1991 by Decima Research of Toronto for The Canadian Centre for Philanthropy.

- 77% of Canadians over 18 reported making a non-religious donation in 1990, compared to 75% in 1989 and 84% in 1987.
- 52% of Canadians said that they gave money in 1990 to religious organisations.
- The median² non-religious donation for 1990 was \$62, compared to \$50 in 1989 and \$42 in 1987.
- The mean non-religious donation for 1990 was \$180, compared to \$144 in 1989 and \$122 in 1987.

2. The median is the "middle" score. Half of the scores are above the median and half are below. The dollar values of scores do not influence the median, but they do influence the mean, or "average".



INDIVIDUAL VOLUNTEERING

IMAGINE/DECIMA

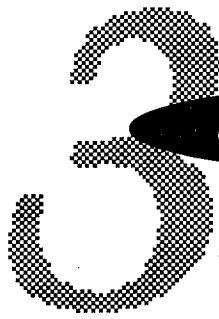
This public-opinion survey was conducted in 1991 by Decima Research of Toronto for The Canadian Centre for Philanthropy.

- 71% of Canadians over 18 said that at some point in their lives they have done volunteer work for a charitable, religious or community organisation (compared to 65% in 1989 and 59% in 1987).
- 43% said that they did volunteer work for a charitable, religious or community organisation in 1990 (compared to 34% in 1989 and 1987).

THE ECONOMIC DIMENSIONS OF VOLUNTEER WORK IN CANADA (1986/87)³

- Approximately 5.3 million volunteers contributed an estimated 1.018 billion hours of their time in 1986/87.
- The value of this volunteer work, using an average service sector wage in 1987, is estimated to be \$12 billion, or about \$13.2 billion in 1990.
- 1.018 billion hours in 1986/87 was equivalent to 617,000 full-time jobs, or 6% of full-time jobs in the Canadian labour force.
- The \$12 billion value of 1986/87 volunteer work would have exceeded the wage bills of six Canadian industries: trapping and fishing; agriculture; mines and oil wells; forestry; utilities; and communications.

3. David P. Ross. *Economic Dimensions of Volunteer Work in Canada*. Ottawa: Department of the Secretary of State, 1989.



CORPORATE GIVING

STATISTICS CANADA⁴

YEAR	DONATIONS (\$ MILLION)	PROFITS (\$ MILLION)	DONATIONS AS A PERCENTAGE OF PRE-TAX PROFITS
1986	323	49,490	0.59
1987	364	56,571	0.64
1988	375	64,667	0.58
1989	423	60,414	0.70
1990	405	45,548	0.89
1991	406	31,800	1.28

IDPAR/CONFERENCE BOARD⁵

The report is based on a survey of 2,000 companies conducted in March-May, 1992, with usable responses from 224 companies (11.2% response rate).

ALLOCATION OF CORPORATE CONTRIBUTIONS, BY SECTOR

THIS CATEGORY'S SHARE OF DONATIONS
REPORTED BY RESPONDENTS

Education	26.9%
Social Services	20.2%
Health	19.5%
Arts and Culture	13.4%
Environment	2.8%
Civic Causes	8.4%
Sports	1.9%
Other	1.9%
Sponsorships	1.3%
Unclassified	3.7%
TOTAL	100%

CONFERENCE BOARD/IDPAR SURVEY FOR IMAGINE, 1992

In January and February, 1992, the Institute of Donations and Public Affairs Research (IDPAR) at the Conference Board of Canada

4. Statistics Canada. *Canadian Economic Observer* (September 1991) and the Conference Board of Canada (June 1992).
5. Corporate Community Investment in Canada, 1991, published by the Institute of Donations and Public Affairs Research at the Conference Board of Canada. (613) 526-3280.

conducted a survey on behalf of the IMAGINE Corporate Program. Questionnaires were sent to 3,000 Canadian corporations, and 330 (11%) were returned. Of the questionnaires, 67.6% were filled out by senior management: 35% were filled out by the Chair/President/CEO/COO/GM, 6% by the V.P. of Corporate Donations, and 26% by another V.P.

- HIGHLIGHTS:**
- Almost half of respondents (46%) felt that the topic of corporate donations was being considered or discussed more now than 3-5 years ago in Canadian senior corporate management circles.
 - Two thirds (66%) said they had conducted an in-depth review of their corporate donations policy in the last 2-3 years.
 - Over half (52%) said their company has a program, policies, or procedures to encourage employees to carry out volunteer activities on behalf of charitable and non-profit organizations.
 - Even after a year or more of recession, almost half (45%) said the total dollar amount of company donations had increased from 1989 to 1991.
 - Over one in five respondents reported that they have become IMAGINE "Caring Companies". An additional 11% said that they would probably become a Caring Companies.
 - In almost all of these questions, awareness of the IMAGINE program and/or the IMAGINE Corporate program had a positive effect on responses, i.e., in the direction of more interest in, commitment to, and actual involvement in corporate charitable donations.

IDPAR/CONFERENCE BOARD BUDGET OUTLOOK, 1993

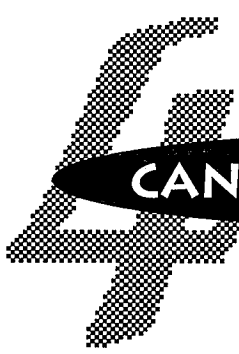
- Of the 75 IDPAR member companies responding to a survey in October 1992 regarding their plans for 1993 donations budgets, almost half (48%) said that the total amount they expected to donate to charity would remain the same; one third (33%) said their donations budgets would decrease; and 19% said their donations budgets would increase.
- The survey reported that the combined total of all companies' anticipated 1993 budgets will be 5.5% lower than their 1992 budgets, a significant drop that is probably due to the effects of the recession and the continuing lack of business confidence.⁷

- When asked which kinds of charities were likely to receive more or less support in the coming year, respondents answered that those most likely to receive more support were: Universities and community colleges (32% said they would give more), United Way (30%), Environment (21%), and Other education (19%). Those most likely to get less were: Sport (41%), Arts and culture (34%), Hospitals (27%), Civic causes (26%), and Other health and Other social services (22% each).

ANGUS REID/SOUTHAM BUSINESS MONITOR, JUNE 1992

This report, "Charities and the Canadian Business Elite", released in late June, 1992, was based on interviews with 300 top Canadian CEOs randomly selected from authoritative business listings. The companies employ well in excess of 1 million Canadians.

- 50% of surveyed business leaders acknowledge charitable donations as an essential corporate obligation to society; in Quebec, this figure was 60%.
- 85% of responding CEOs said their corporations give to charity: Quebec respondents (96%), private companies (97%), manufacturing companies (94%).
- 83% said that the number of requests from charities has increased during the last 5 years; 46% are giving more than 5 years ago, 22% reported no change in the level of giving, and 29% said they had reduced their donations.
- Increased corporate donations were the result of (i) higher profits or corporate affluence (42%), (ii) a rethinking of corporate philosophy and a growing commitment to community causes (33%), and (iii) a simple response to a greater number of requests from deserving causes (21%).
- CEO respondents said very strongly that they have "tremendous influence" on the selection of recipient charities. Corporations with larger revenues were more likely to delegate this authority to another individual or a committee.
- The top priorities for corporate charitable activity were: United Way (for 65% of respondents), Health care/disease research (40%), and Education/university endowment (37%).



CANADIAN FOUNDATIONS⁷

Canada's foundations reported \$3.23 billion in assets in 1990 and almost \$303 million in grants.

Canada's ten largest foundations in 1990, by assets, were:

	ASSETS	GRANTS	NO. OF GRANTS
J.W. McConnell	\$311,966,977	\$17,512,010	72
Vancouver	\$260,302,124	\$21,186,720	767
Hospital for Sick Children	\$111,449,310	\$23,610,913	34
Chastell	\$105,303,616	\$11,158,431	188
Kahanoff	\$70,442,587	\$2,520,657	n/a
Donner Canadian	\$70,356,742	\$3,091,464	18
Winnipeg	\$64,473,839	\$3,545,576	304
MacDonald Stewart	\$61,103,602	\$4,138,260	23
R. Samuel McLaughlin	\$61,000,000	\$3,726,418	105
EJLB	\$58,705,301	\$1,310,450	78

Geographical distribution of grants, according to the location of the recipients, was as follows:

FOUNDATION GRANTS OVER \$2,500, BY REGION (1990)

REGION	% OF POPULATION	% OF NUMBER OF GRANTS	% OF GRANT MONEY
Western Canada	29	24	25
Ontario	37	55	50
Quebec	25	17	22
Atlantic	9	3	3
North	0.3	0.2	0.1
TOTAL	100%	100%	100%

Percentages may not add to 100 due to rounding

- Foundations are strongly concentrated in Ontario: with 37% of Canada's population, Ontario is the location of 59.8% of its foundations. Every other region of Canada, therefore, has fewer foundations than one would expect, based on its share of the population.

7. Source: *Canadian Directory of Foundations, Tenth Edition*. Toronto: The Canadian Centre for Philanthropy, 1993.

- The greatest share of assets is also concentrated in Ontario, and generally less concentrated in Western and Atlantic Canada. Foundations in Quebec and British Columbia, however, are strong in assets: with only 6.7% of Canada's foundations, B.C. accounts for 11% of foundation assets, while Quebec, with only 17.1% of foundations, and 25% of Canada's population, accounts for 31.8% of foundation assets.
- British Columbia also stands out in that it accounts for 14% of the number of grants, a figure far out of proportion to its share of assets and share of population.

FOUNDATION GRANTS OVER \$2,500, BY SECTOR

	% OF NUMBER OF GRANTS	% OF GRANT MONEY	AVERAGE SIZE OF GRANT
Arts and Culture	12	8	\$25,409
Education	17	17	\$37,832
Health	18	24	\$48,852
International	2	2	\$32,301
Religion	18	14	\$28,280
Science & Technology	7	10	\$54,093
Social Service	24	24	\$35,340
Sports and Recreation	3	100	\$20,319
TOTAL	100%	100%	\$36,547

Percentages may not add to 100 due to rounding

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THE CHARITABLE SECTOR

REGISTERED CHARITIES IN CANADA, REVENUE CANADA, CHARITIES DIVISION

The total number of active registered charities in Canada, as of July, 1992 was 67,100.

	WELFARE	HEALTH	EDUCATION	RELIGIOUS	BENEFITS TO THE COMMUNITY	TOTAL
1974	3,481	2,283	3,033	22,343	3,973	35,113
%	9.9	6.5	8.6	63.6	11.3	100
1980	5,236	2,976	5,003	24,565	6,513	44,293
%	11.8	6.7	11.3	55.5	14.7	100
1985	7,382	3,767	7,398	26,786	8,558	53,891
%	13.7	7.0	13.7	49.7	15.9	100
1990	9,568	4,669	9,739	28,449	10,761	63,186
%	15.1	7.4	15.4	45.0	17.0	100

THE EFFECTS OF THE RECESSION, A POLL OF THE CANADIAN CENTRE FOR PHILANTHROPY ASSOCIATES, APRIL/MAY 1992⁸

- Demand for charitable services is up across the board. Increased demand was most pronounced for respondents active in Basic and emergency needs. Over half of the respondents said that the number of people they have served is up by more than 10%, and 18% said it is up by more than 25%, compared to six months ago.
- The source of support most likely to have been consistently up over two years ago (1990) is individual donors. Individual donations (dollar amounts) were up over two years ago for 66% of all respondents, and up by more than 25% for 26% of all respondents.

8. A poll of the Centre's 1,012 non-foundation service-delivery Associates; the response rate was 14%. The results were published in the July/August 1992 issue of *Network*, the Centre's newsletter. Any results based on such a low response rate are often unreliable, particularly when one attempts to compare sub-groups within the sample. All associations and comparisons between sub-groups that are discussed in the report, however, met chi-square tests of significance with minimum expected cell frequencies of 5 or more and $p < 0.05$ or better. The Centre's Associates are, however, known to over-represent the larger charities in Canada, and this should be kept in mind when assessing the universal validity of respondents' feelings about the effects of the recession.

- 21% of our respondents were able to meet their fundraising target last year (1991), and 32% exceeded it. About one-third (37%) raised less than the target. [10% had no target.]
- Over a third of respondents said that unsolicited volunteer interest was up over two years ago, and, among those organisations that made an effort to recruit more volunteers (42% of all respondents), 55% said the response was positive and an additional 17.5% said it was enthusiastic. Of those getting a positive or enthusiastic response, 37% said it came in the form of the number of people volunteering (but not the amount of time offered), but for 60% it was in *both* the number of people volunteering *and* the amount of time they offered.
- 19% said they know of an organisation in their sector of activity and in their location that has been forced to close down *principally because of lower revenues*; 39% said that none had; and 42% said they didn't know.
- Over one-third were concerned about their organisation's ability to maintain the same level of service to clients or community over the next 12 months, and an additional 12% were deeply concerned. Roughly the same number said they are reasonably confident (37%) or very confident (11%) about the next 12 months.
- Strong donations revenues had a clear effect on confidence. Three-quarters of those that reported that total donations revenues were down by more than 10% over the last two years said they are concerned, while most of those that reported revenues up by more than 10% were confident.
- Revising fundraising policies and launching a public relations or community relations program were strongly associated with strong performance in number of donors, total donations revenues, and individual donations.
- A majority of respondents (83%) said they had been forced by the recession to undertake management changes:
 - Revisit strategic plan (70%),
 - Cut or postpone operating expenditures (54%),
 - Cut or refocus programs (50%),
 - Collaborate with other agencies (41%),
 - Launch public/community relations program (39%),
 - Cut staff (32%).

- An under-reliance on individuals and an over-reliance on government funding (particularly when grants are cut) were associated with high levels of concern.
- The donations source most likely to be resilient and reliable is individuals. Organisations that rely on them for the bulk of their support were able to maintain levels of service and expressed greater confidence about the future.