

THE GIVING REPORT 2023

It's Time for Change

A Year Defined by Inflation Intensifies
Long-Standing Threats to the Sector







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Executive Summary



By Duke Chang,
President and CEO, CanadaHelps

This is our sixth iteration of The Giving Report, a raw and honest look at the state of the charitable sector in Canada.

Historically, we balance the narrative by sharing important impact stories about the vital work charities do to create societal change – but not this year. The issues CanadaHelps uncovered are simply too concerning and our focus is to ensure the gravity of the situation is understood and acted upon by Canadians and charities.

As the newly appointed President and CEO of CanadaHelps, this is the first time I have worked with the team to develop The Giving Report, and it is arguably our most hardest-hitting one yet.

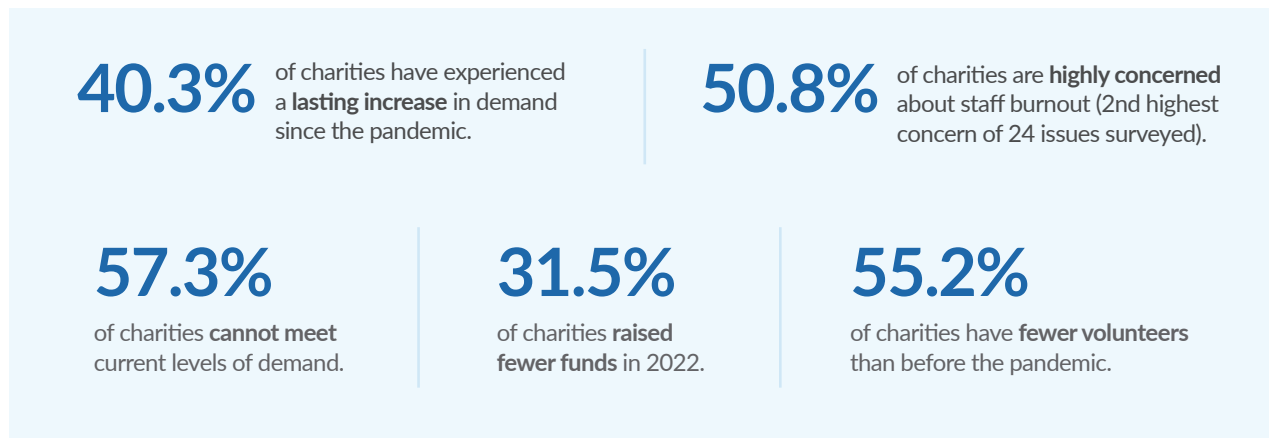
We dig into the painful issues and obstacles we often want to ignore, surfacing the most critical insights that Canadians need to know as we navigate a difficult period ahead. These are issues that we must ensure are understood and acted upon, otherwise jeopardising the effectiveness of the sector. This year's edition is separated into three key areas:

- 1 **A focus on the needs of Canadians and how they give** reveals net-new insights, alongside updates on long-standing threats. Our top findings include:

22% of Canadians expect to **rely on charities for basic needs** (+8% in nine months)

18.4% of Canadians that give per tax filings (down five percentage points in 10 years)

2 **A deep-dive into the largest and most urgent struggles of the sector**, as uncovered in our survey of nearly 3,000 charities. These alarming insights include:



3 **The final section is a call for change.** We discuss how the infinite optimism of those who work in the sector must be checked. Now, more than ever, we need to take an objective look at the issues that threaten our sector. There is urgent need to engage in hard conversations and develop course correction plans. In the wise words from Lao Tzu, “If you do not change direction, you may end up where you are heading.”

We open the discussion outlining the five most impactful steps charities can take action on in these uncertain times. But, before diving in, it’s important to remind ourselves of our purpose, which includes the work we do.

The health of charities doesn’t just mean the health of the charitable sector, it means the health of our country.

A healthy charitable sector means that the 22% of Canadians who expect to rely on charitable services for their basic needs will continue to be sheltered and fed. It means that Indigenous communities will have continued access health care in remote areas. It means that people living with mental illnesses will have the resources and safe spaces so they can heal. The gaps that charities fill are diverse and invaluable, but charities can’t protect our sector alone. It involves all Canadians actively supporting the causes we all care about to create the change we want to see in the world.

It’s been a difficult few years, and even still, we’re headed towards more turbulent waters. It’s time for a conversation. It’s time for a change. And for the sake of our society, I hope you’ll join us.

Duke Chang

President and CEO, CanadaHelps

Canadians and Giving: What Donating Looks Like in Canada for 2023

2022: A Year Defined by Inflation

The rising cost of living and prolonged pandemic impacts have more Canadians in need of charitable services. At the same time, fewer Canadians are making charitable donations. This came through consistently in our charity survey and through our online giving data.

In this section we'll dive into how Canadians give, and also explore:

- Hard facts about the needs of Canadians and their giving intentions
- The Online Giving Index as the leading indicator for actual giving in 2022
- How Canadians' response to the war in Ukraine and to GivingTuesday prevented more dire donation results
- An update on the approaching Giving Gap: a term referring to the threat charities and society face as older Canadians are no longer able to give



More Need, Fewer Dollars

Exiting 2021, Canadians were bracing for a difficult year. To understand how Canadians were feeling about inflation, and how it would impact both their use of charitable services and their giving intentions, we commissioned Ipsos polls in January and October 2022. Three findings were clear:



Inflation is forcing more Canadians to cut back on basic necessities.

82%

expect their finances to be negatively impacted by inflation.



15%

of respondents reported that if inflation continued, they would be unable to afford basic necessities like food, gas, and medicine at all



29%

would need to cut back on basic necessities.



Dramatically more Canadians will turn to charitable services to meet basic needs like shelter, food, clothing, etc.

22%

two in ten Canadians say they plan to access charitable services to meet essential needs in the next six months. This is an increase from 14% in January 2022.

Of respondents that expected to access charitable services in 2022

27%

one in four are parents

35%

one in three are aged 18-34 years old.

Despite the urgent need of many, more Canadians will give less.

20%

of Canadians planned to reduce their giving in 2022

13%

intended to increase their giving. More worrisome, the trend extends to household with higher incomes (\$100K or more) that have a greater capacity to give, but are opting to give less.

Turbulence in Giving: The Online Giving Index

Drawing on the vast number of donations processed by CanadaHelps, the Online Giving Index (OGI) provides insights into donations that are representative of online giving in Canada as a whole. In 2022, 963K Canadians, representing 3.1% of Canada's adult population, donated \$439 million dollars to more than 30,455 charities through CanadaHelps.

With tax filer data from the Canada Revenue Agency lagging two years, the CanadaHelps OGI is a leading indicator of the current health of giving in Canada. Meaning, if we see a directional change in the growth of online giving, we can expect a parallel change in the growth rate of overall giving.

As visualized and outlined in Figure 1 below, the rising cost of living and economic uncertainty had a direct correlation with online giving. The OGI fluctuated between 73 and 85 points between January and October 2022, reflecting dramatically lower or negative year-over-year growth. It plummeted to a new all-time low of 66 points in November 2022, a month that typically contributes 15% of total annual online giving. Then, it rallied to 98 points in December 2022, the most consequential month of giving each year, consistently bringing in 30% of annual donations.

The result? Online giving through CanadaHelps grew by 2% in 2021 over 2020 and 4% in 2022 over 2021.

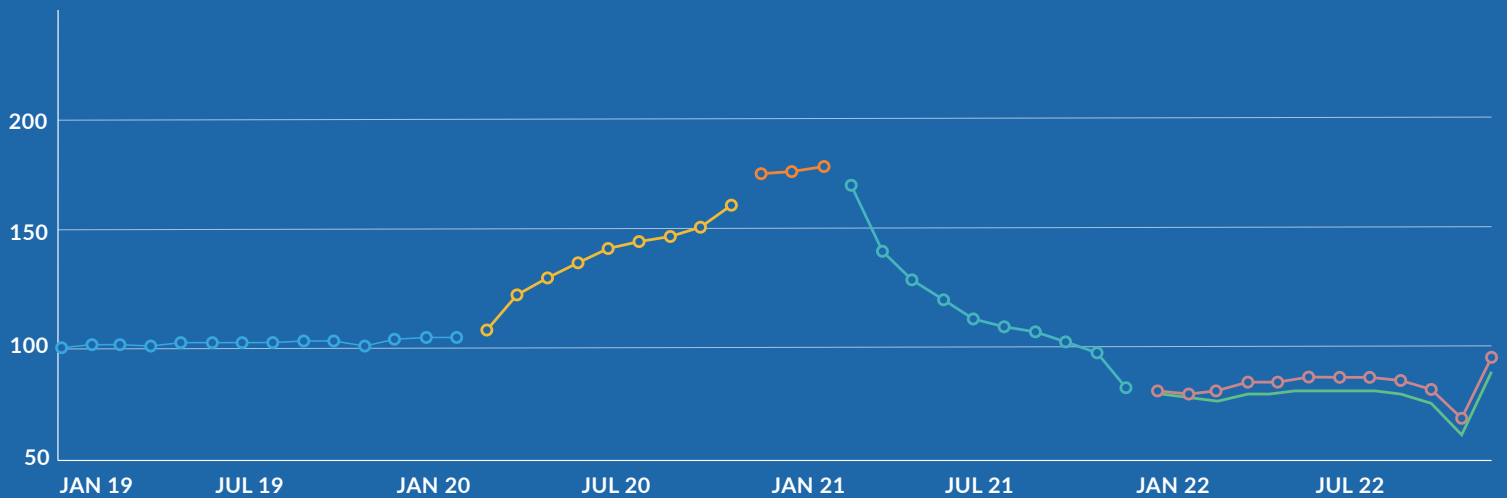
4% may sound like good news, but is significantly below the 22.4% average rate of growth each year between 2010 to 2020.

The picture is more concerning when we look at overall giving. With total giving data now available for 2020 (year one of the pandemic), we can see growth was in line with the average annual growth rate of 2.5% from 2010 to 2020. This means that the massive spike in giving online was a shift in how Canadians gave rather than an outpouring of incremental donations. Of further concern, we forecast that once data becomes available from the CRA, we will see a lower overall giving growth rate of 1.2% in 2021-2022, with strong growth in Gross Domestic Product (which has a positive correlation to giving) during that time, guarding against a more severe decline (See Data Sources for forecast methodology).

Later in the report we present findings on the state of the charitable sector and discuss that an alarming 57% of charities are already unable to meet current levels of demand for service. Clearly, single digit growth in charitable giving is insufficient to fill critical gaps in our communities and uphold our safety net.



FIGURE 1
Online Giving Index (2019-2022)



Pre-pandemic

Online giving continued at expected double-digit levels with the OGI in February 2020 hitting 102.4.

Early Pandemic

In March 2020, when Canadian provinces declared states of emergency, online giving accelerated and continued to accelerate each month from March through November.

Peak

Growth in pandemic giving peaked between December 2020 and February 2021. In February 2021, an OGI record of 179 was set.

Prolonged pandemic

The growth rate in the amount of giving began to decelerate in March 2021. In December 2021, the OGI hit 80 points representing the first decline in giving since the OGI was developed. For clarity, it means less was given in December 2021 than in December 2020.

Inflationary pressure

With economic uncertainty came dramatically lower or negative year-over-year growth throughout 2022. In November 2022 the OGI hit a new all-time low of 66 points. Immediately following the December 2022 spike to 98 points, the OGI softened in January 2023.



About the Online Giving Index

An OGI value of 100

means that online giving in a 12-month period grew at the same rate as the baseline, which is the 12 months ending in January 2018.

An OGI value above 100

means that a period grew at a higher rate than the base period.

An OGI value below 100

means slower growth. This was still growth, but it decelerated.

A Look at Who Gives in Canada

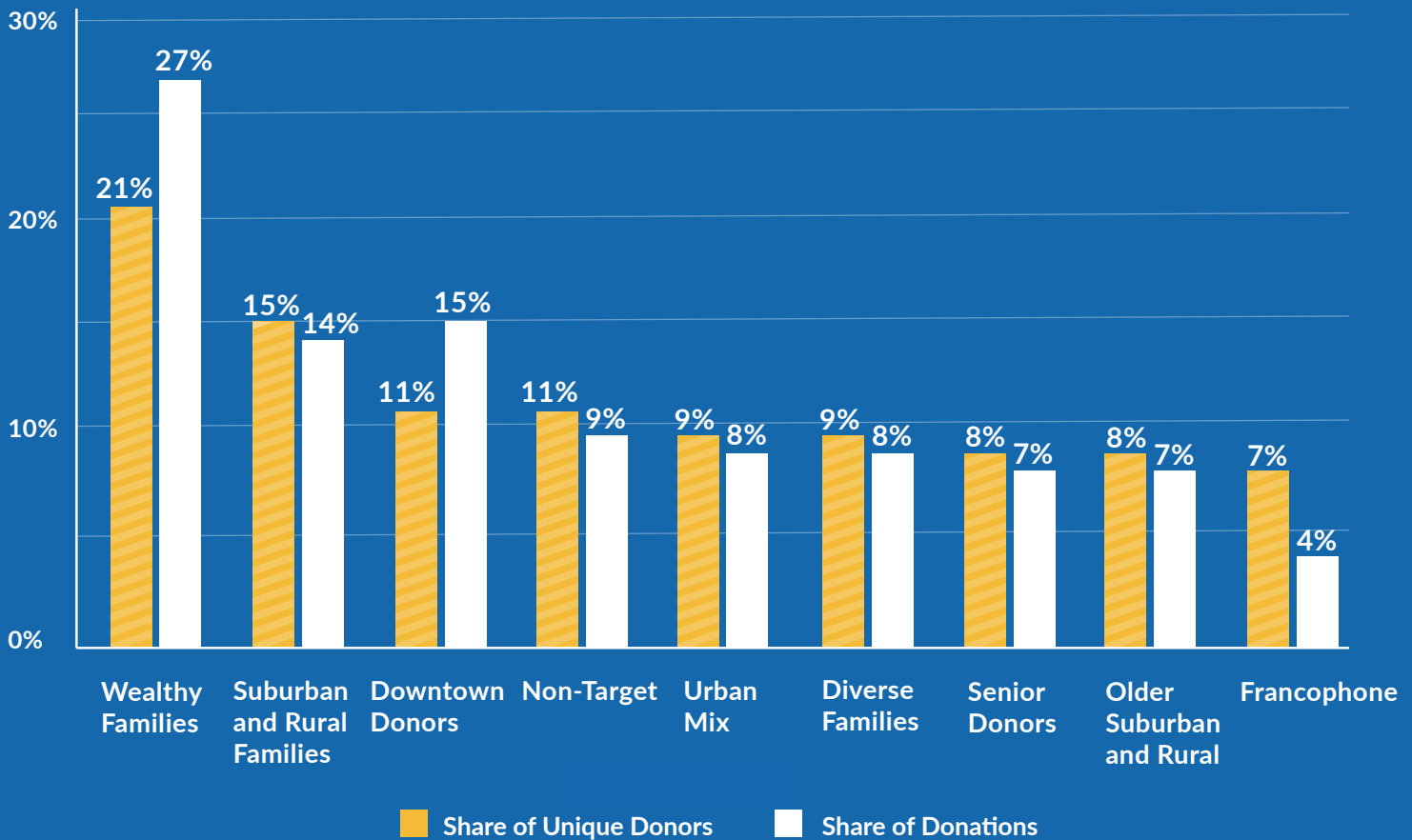
Through the generous support of Environics Analytics, we can delve deeper into who gives online using their segmentation groups and anonymized CanadaHelps data.

Canadian donor segments range from Wealthy Families and Senior Donors to Downtown Donors and Urban Mix. A description of each group can be found in Table 8 in the appendix. Together, these groups comprise 57% of the total 18+ household population in Canada and 82% of CanadaHelps donors.

Looking closer at Figure 2, it is clear that two segments make up a large share of unique donors, Wealthy Families (21%) and Downtown Donors (11%) and represent an even larger contribution to total donations at 27% and 15% respectively. Otherwise, the donation level across segments suggests a fairly diverse Canadian donor base.

As the sector seeks to increase the number of Canadians who give, this is a positive signal: each segment already has an established base from which to learn and grow. Further details are provided in Tables 8, 9 and 10 of the appendix.

FIGURE 2
Donor Segments: Share Of 2022 Unique Donors And Donations





The War in Ukraine Motivated Giving



The Ukraine Crisis Drove Generosity

The 2022 OGI results validate that the rising cost of living is impacting how Canadians give, and impacting the charities that rely on their generosity to advance their mission. This is even more clear when we adjust for the response to the Ukraine Crisis.

When donations in support of the Ukraine Crisis are removed, the OGI from each month between March through December 2022 drops between five and eight points (see Figure 1). Overall, donations in support of Ukraine represented 9% of total donations through CanadaHelps during these months. Other key insights include:

In 2022, all donor segments gave generously to the International category with donations nearly doubled across all groups

Dollars donated to Ukraine made up over 90% of donations to the International category across all donor segments

10% of all new donors in 2022 donated to Ukraine

The significant response to the Crisis in Ukraine is reflective of the reputation for generosity Canadians have globally. It is inspiring and has fueled the response efforts of the roughly 0.15% of Canada's charities that are responding in support of Ukraine. That said, such a substantial portion of funding (9%) going to a very small group of charities suggests a significant funding shortfall for other charities at a time when many are experiencing increased demand.



Canadians Show Up on Giving Tuesday

Since first launching in Canada in 2013, GivingTuesday has marked the official opening of the holiday giving season and is one of the top giving days of the year, raising almost as much as on the final days before the December 31st tax deadline.

Using our CanadaHelps data and the Environics Analytics donor segments, here is what we know about Canadians who show up on GivingTuesday:

Overall GivingTuesday Donors:

- In 2022, 5% of all donors donated on GivingTuesday
- 32% of GivingTuesday donors made additional gifts prior to the holiday period (November through December)
- A higher percent of Wealthy Families, Downtown Donors, Senior Donors and Urban Mix donated on GivingTuesday

Returning GivingTuesday Donors:

- More than one-quarter of all 2022 GivingTuesday donors were returning donors who gave on GivingTuesday in 2021 and/or 2020
- One-third gave an additional gift in December
- Returning GivingTuesday donors tend to have a higher number of gifts throughout the year

Not only has GivingTuesday inspired the generosity of Canadians, it's been instrumental in helping small charities become more effective in fundraising.

CanadaHelps analysis reveals that charities that actively participate in GivingTuesday raise 256X more on the day of GivingTuesday and 5.7X more from GivingTuesday through to December 31st than charities that do not participate.

The Year-End Tax Deadline Was More Critical Than Ever

Every year, December is the largest month of giving, contributing 30% of all donations made annually. The spirit of the holidays no doubt plays a role, but so does the December 31st tax deadline.

Economic uncertainty changed the way that Canadians gave in 2022, leading even more donors to delay gifts until the end of the year. We expected this trend, hypothesising that many donors would want as much information on the market and their personal financial situation as possible in order to make a fully informed and strategic gift before the tax deadline.

The spike in the OGI in December serves as confirmation of the importance of the tax deadline (see Figure 1).



The Giving Gap: An Updated View

For decades, a massive shortfall in overall giving has been avoided by the increased generosity of Canadians aged 55 and older that continue to give and gave more. But what will happen when this smaller group of ageing donors is no longer able to donate?

For several years, The Giving Report has reported on this most worrisome trend, we refer to as “The Giving Gap.”

This year’s analysis, based on the most recent year (2020) of income tax data available from Canada Revenue Agency, shows early indications of both good and bad news to come.

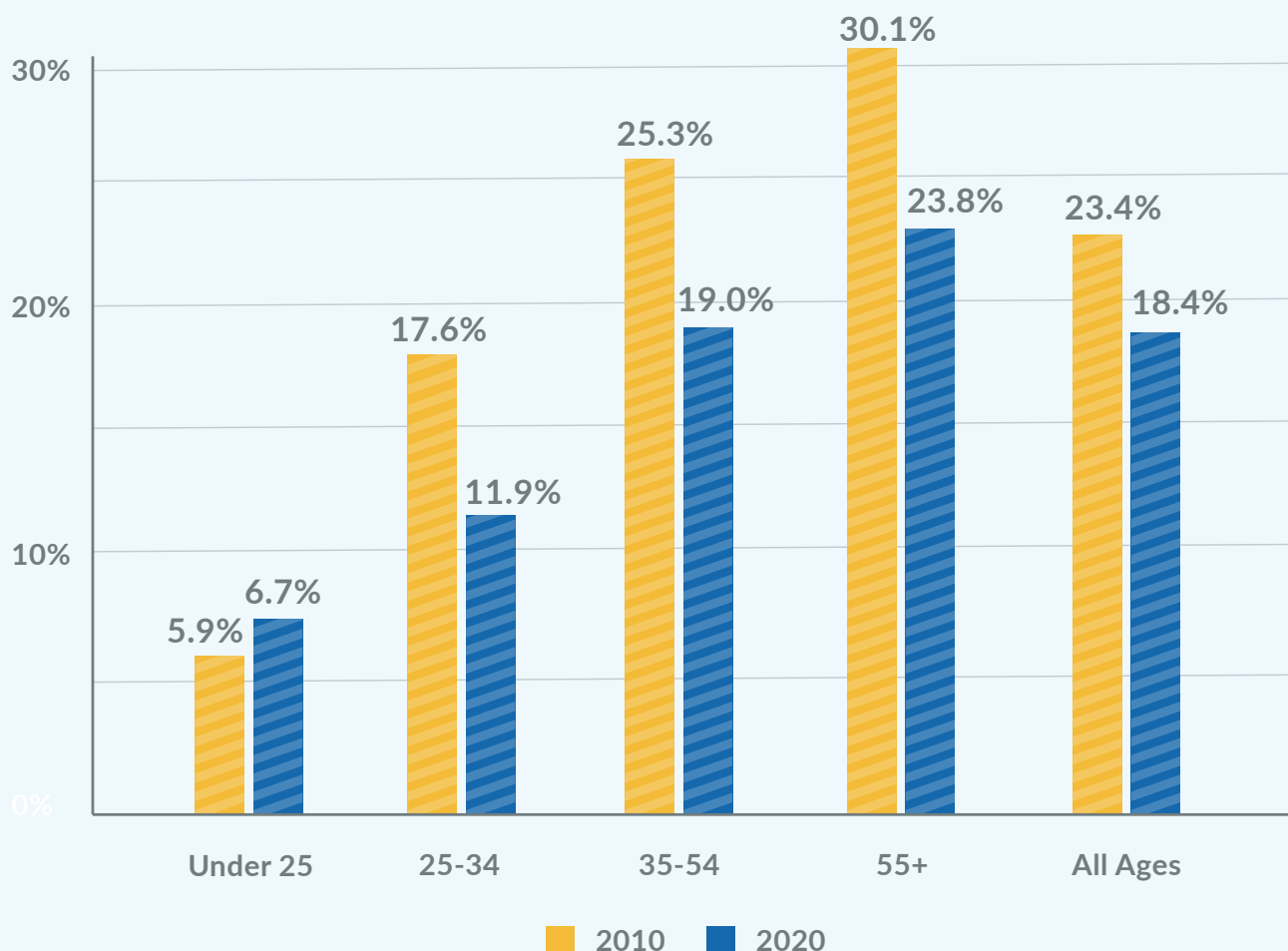
1 Giving Participation Is Declining Across All Age Groups

Giving participation rates (the percent of Canadians who claim charitable donations on their tax returns) have been falling for decades. As published in the 30 Years of Giving in Canada report by Imagine Canada and Rideau Hall Foundation, the aggregate giving participation rate sat at 29.5% in 1990. By 2010, it had dropped to 23.4%, and in 2020 it dropped to 18.4% (see Figure 3). That's an alarming 11.1 percentage point drop in 30 years, with almost half of the drop, five percentage points, in the last 10 years alone.

While we see a slight improvement in giving participation rates by Canadians under 25 years of age, the same is not true for those aged 25-34, 35-54, and 55 and older where we see a drop of 5.7, 6.3, and five percentage points respectively.

FIGURE 3
Giving Participation Rates in 2010 and 2020

Based on Personal Income Tax Filings





2 Giving Participation Is Declining Across All Household Income Brackets

As illustrated in Figure 4, the higher the household income, the more likely the household is to claim charitable donations.

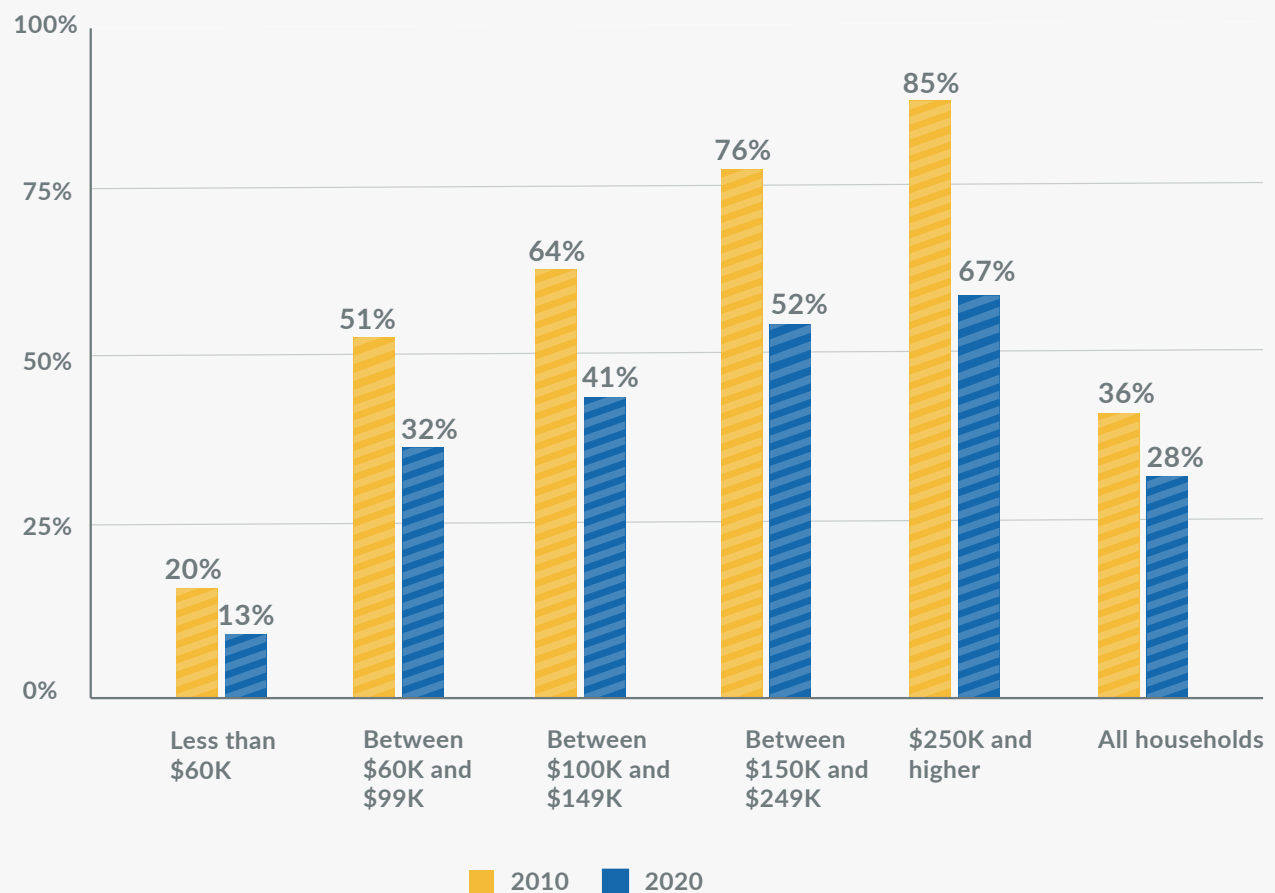
That said, one thing is clear: giving participation rates are declining rapidly across all household income brackets.

While the overall household giving participation rate has dropped by eight percentage points, from 36% to 28%, the drops are steepest amongst households with the highest incomes; participation has dropped 23%, 24%, and 19% respectively for households with incomes of \$100k-\$149k, \$150k-\$249k, and \$250k and higher.

These alarming drops in just a 10-year period are of utmost concern. Strong giving participation rates are critical for ensuring a vibrant charitable sector and therefore a strong social safety net and healthy communities. While there may be many reasons, it raises concern that our values towards giving and caring for our communities may be changing.

FIGURE 4
Change in Donation Participation Rate by Household Income (2010 vs 2020)

Based on Income Tax Filings at Household Level



3 Can Donors Aged 55+ Continue to Uphold Overall Giving?

Despite constant declines in giving participation rates, overall giving has grown at a compound annual growth rate of 2.5% in actual dollars from 2010 to 2020, and 0.9% when normalized to 2015 dollars (see Figure 5).

Though the giving participation rate among Canadians aged 55+ has declined, we see from the data that meaningful growth in the amount given is derived solely from a smaller group of Canadians aged 55+ who continue to give. Specifically, Canadians aged 55+ increased the amount donated from \$4.7B in 2010 to \$7.14B in 2020 (see Figure 6).

Looking closer at the data from 2020, the first year of the pandemic and a year when we saw a spike in online giving (see Figure 1), we see both positive and negative indicators in overall giving.

The early indicator of good news:

Giving from Canadians under 25 jumped 29% in 2020 over 2019. This is a massive gain over the compound annual growth rate of -0.29% from this group from 2010 to 2020. While this age group contributed less than 1% of total donations, it is still a positive sign of the willingness and ability of younger Canadians to show up and offer financial support.

FIGURE 5
Claimed Donations in Canada, 2010-2020

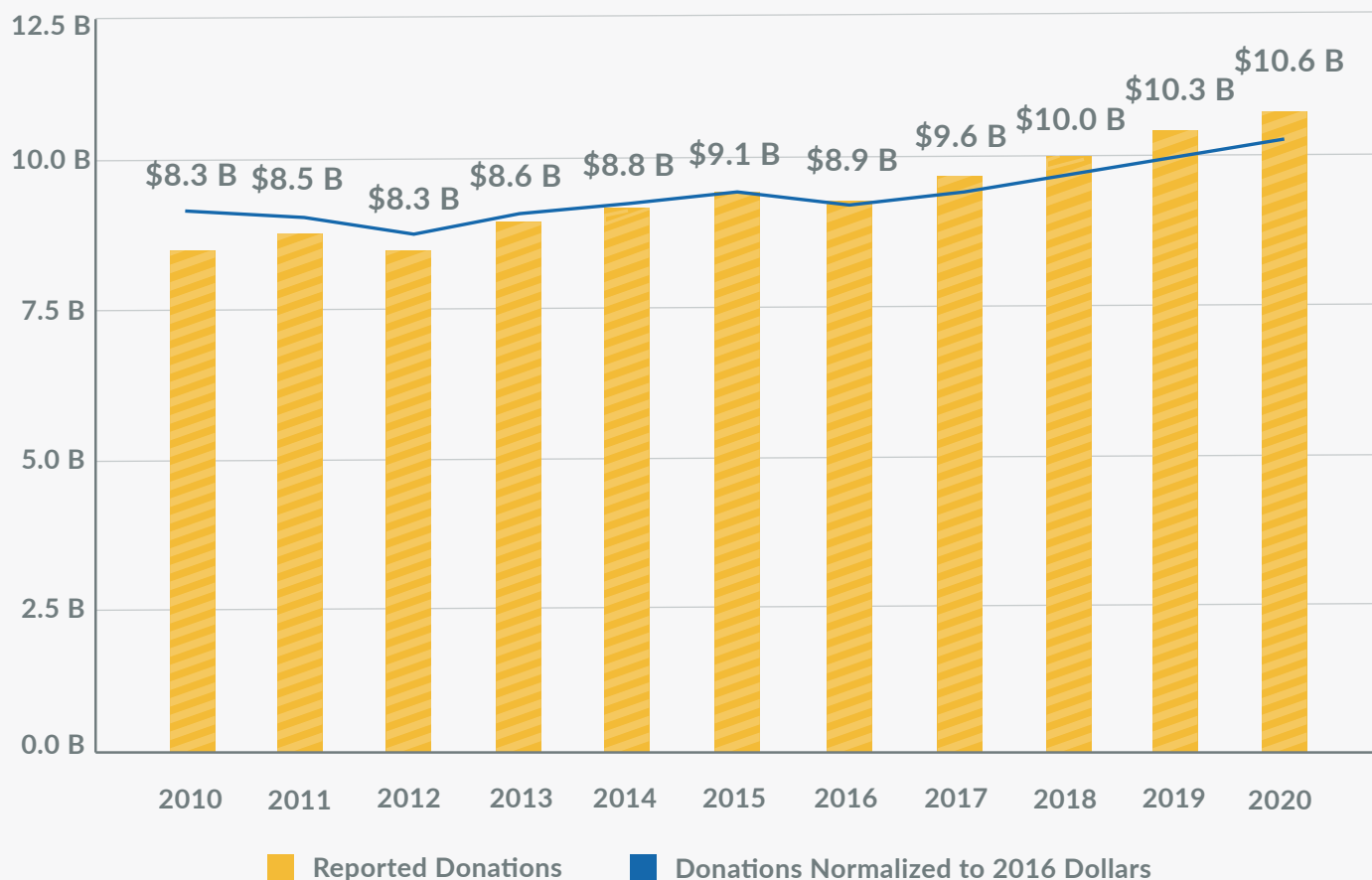
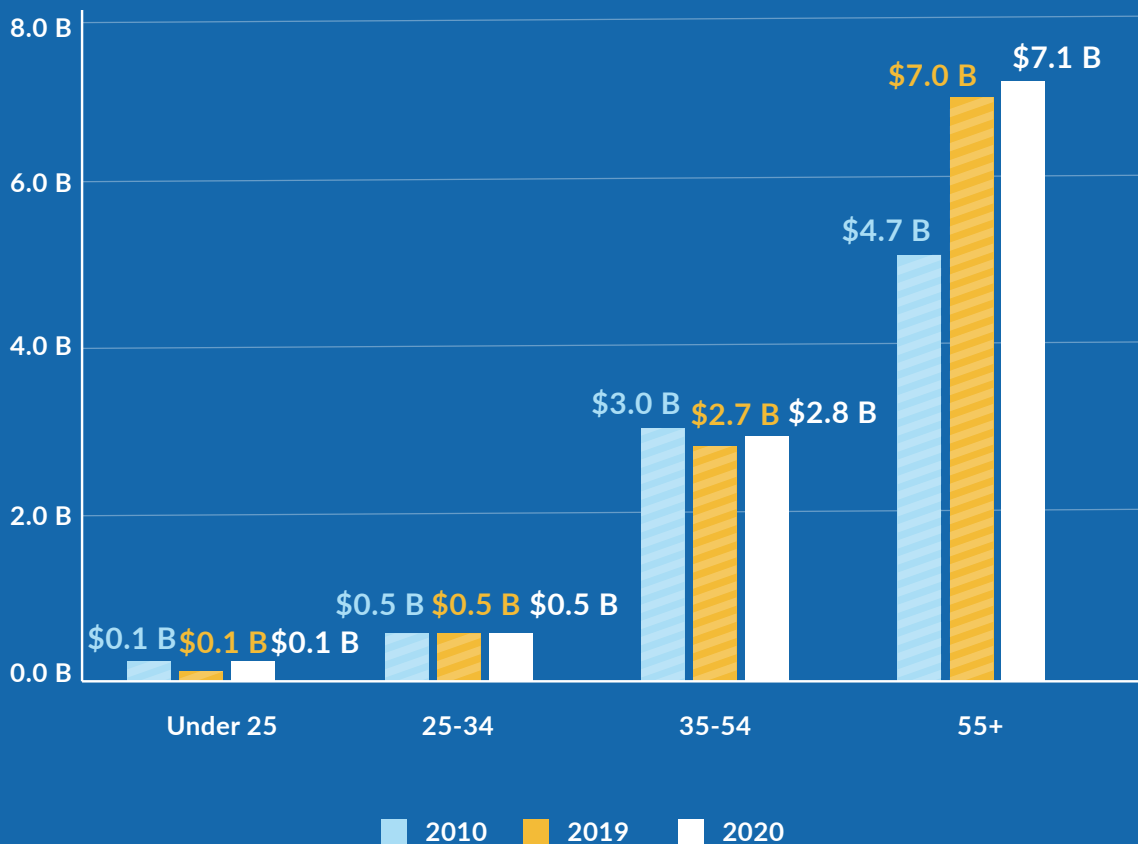


FIGURE 6
Claimed Charitable Donations by Age (2010 vs 2019 vs 2020)



In addition, Canadians aged 25-34 and 45-54 who donated, also increased the amount they gave. These groups increased their giving in 2020 over 2019 at a rate of 3.7% and 3.1% respectively, well above their ten-year compound annual growth rates of 0.8% and -0.6%. (see Figure 6)

The early indicator of bad news:

Unfortunately, the 2022 Online Giving Index presented in Figure 1 above, along with donor segment analysis completed by Environics Analytics, giving by younger age groups did not continue.

While inflation no doubt plays a key role, the generosity of younger Canadians in 2020 may also reflect this generation’s greater affinity to social

justice issues, which fueled news cycles in 2020 and which was explored in the 2021 edition of The Giving Report.

Equally concerning, Canadians aged 55+ increased the amount they gave in 2020 by only 2.2%, roughly half the ten-year compound annual growth rate in the amount given by this group of 4.3%.

Could this be the first sign that more of the Canadians 55 and older who continued to give are no longer able to or the donors who are replacing them are not giving at the same rate?

Further details are available in Table 12 of the appendix.


Trends in Giving: Why They Matter

To this point, we have covered some very concerning trends, some new for 2022, and others that have been of mounting concern for decades.

We publish this report as a call to action for Canadians. We hope that the data and insights will lead to hard conversations resulting in positive change before it is too late.

To that end, the next section of this report focuses on how charities are fairing, highlighting what every Canadian who cares about ensuring strong and healthy communities should know. After, we share tangible steps and recommendations for both Canadians and charities.





Trouble in the Sector: 10 Concerning Charity Issues You Need to Know

In November 2022 we surveyed 2,948 charity professionals representing 2,860 unique charities. With participation of 3.3% of Canada's charities, and representation across charities of all types and sizes, to assess the state of the charitable sector.

Our research identified 24 potential issues (see Table 13 in the appendix) and asked respondents to rate their level today and then looking forward into the next five years. Ten key concerns rose to the top. More concerning, our research found the top 10 concerns for charities today will still be their top 10 concerns in five years. This sends a strong signal that while we know what our biggest problems are today, we are not confident that we're on the right path to correcting them.

Charities indicated a wide range of issues and challenges, spanning from financial support to pandemic resurgences, but the most prominent areas of strain had four key recurring themes:

Inflation

Staffing

Funding

**Demand
for services**

Throughout this section, we'll look at Canadian charities' top 10 issues, who they're affecting the most, and what is at risk if change doesn't come.

1 Increased Demand Has Created Unprecedented Strain on Charities

Overnight, the pandemic created unprecedented challenges for charities. Now, three years into the pandemic, charities are still adapting to the changed demand for their services.

Three of every four charities faced changes in demand early in the pandemic. For 51.5% of charities, demand has not returned to pre-pandemic levels (see Figure 7). Of those, eight out of every 10 charities (40.3% of all charities) continue to experience demand above pre-pandemic levels, with over half reporting that demand continues to increase. While the other two of 10 of these charities report demand is below pre-pandemic levels, it is important to note that a decline in demand is not always good.

Three years into the pandemic, many individuals, and in particular seniors or individuals with conditions that put them at higher risk, continue to take precautions. A drop in demand for seniors services that promote community, connection and well-being would be an example of an area where a decline in demand may come at a cost.

When asked about their charity's ability to meet current service demand, just 29.6% of respondents say that demand is met with their organization's current resources. 57.3% of respondents report that demand exceeds the capacity of their organization, with 22.5% reporting that demand significantly exceeds capacity (see Figure 8).

FIGURE 7
Demand Today Versus Pre-Pandemic Levels

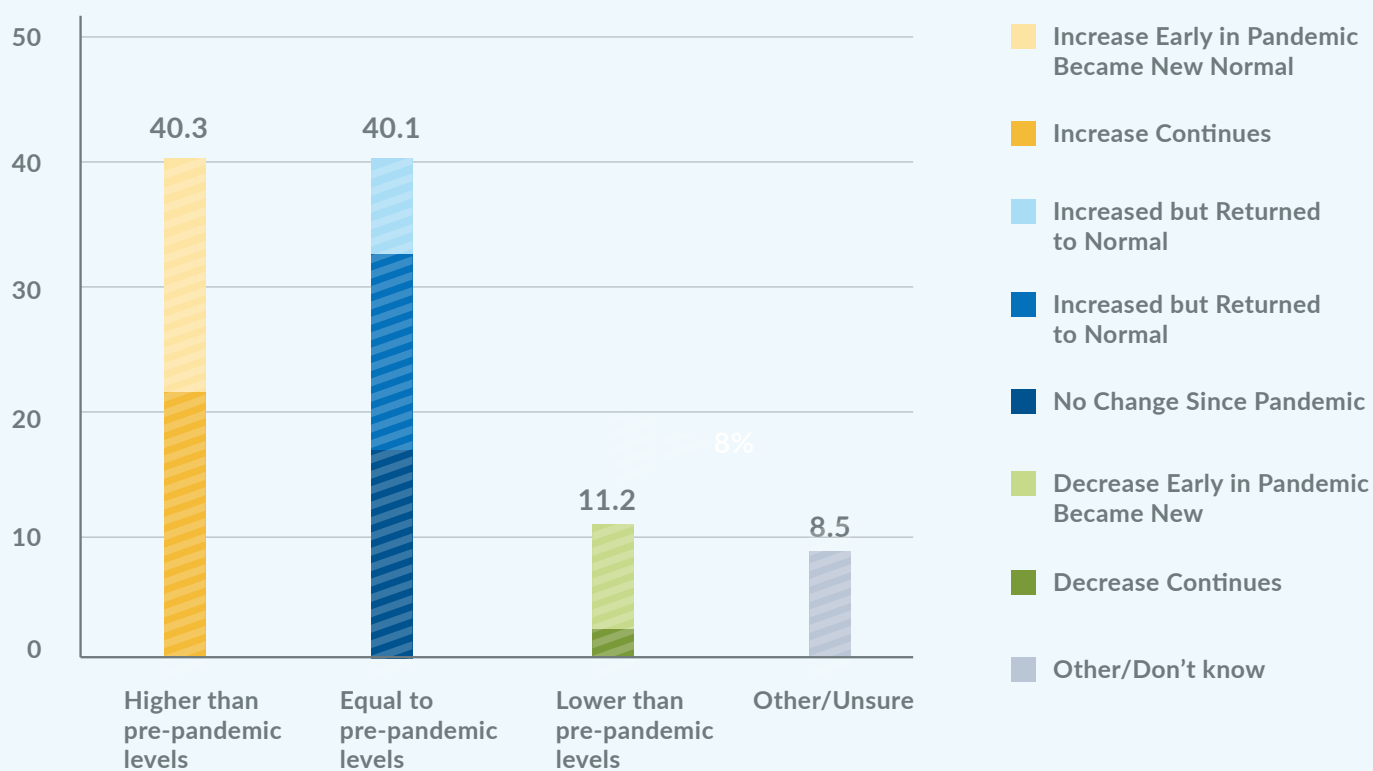
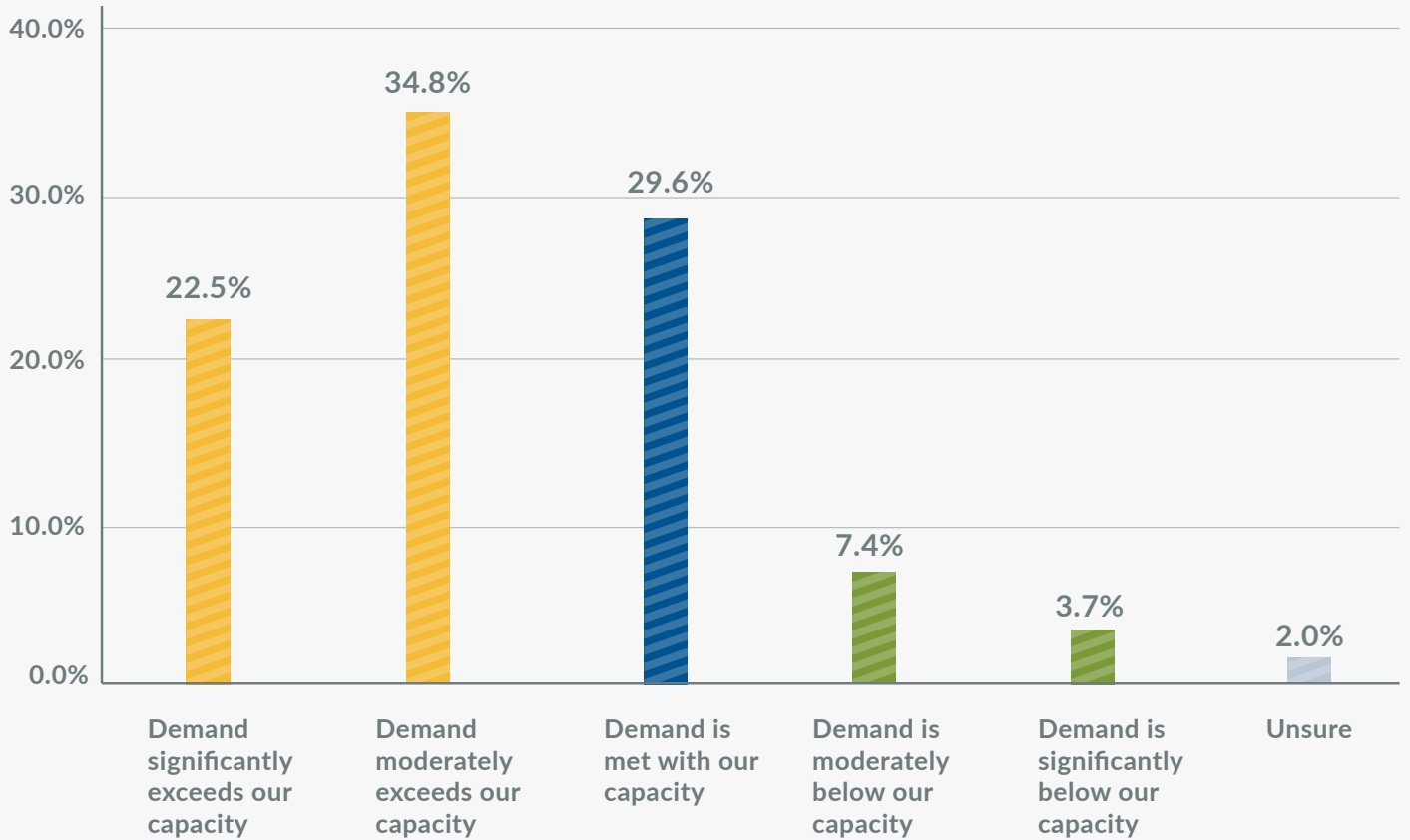


FIGURE 8
What best describes your ability to currently meet the demand for services?



The Pandemic Triggered a Demand Crisis for over 57% of Charities

The number of charities that experience higher levels of demand today than prior to the pandemic (40.3%) is less than the number of charities unable to meet current demand (57.3%). This highlights that while there are now more charities unable to meet demand, many Canadian charities were already under tremendous stress.

While later in this report we highlight the added pressure small charities face, when it comes to their current ability to meet demand, even very large charities are struggling.

Percentage of charities struggling to meet demand (by annual revenue)

44.8%

with less than \$100,000 annual revenue.

69.6%

with annual revenue between \$1,000,000-\$2,500,000

59.6%

with annual revenue between \$100,00-\$499,999.

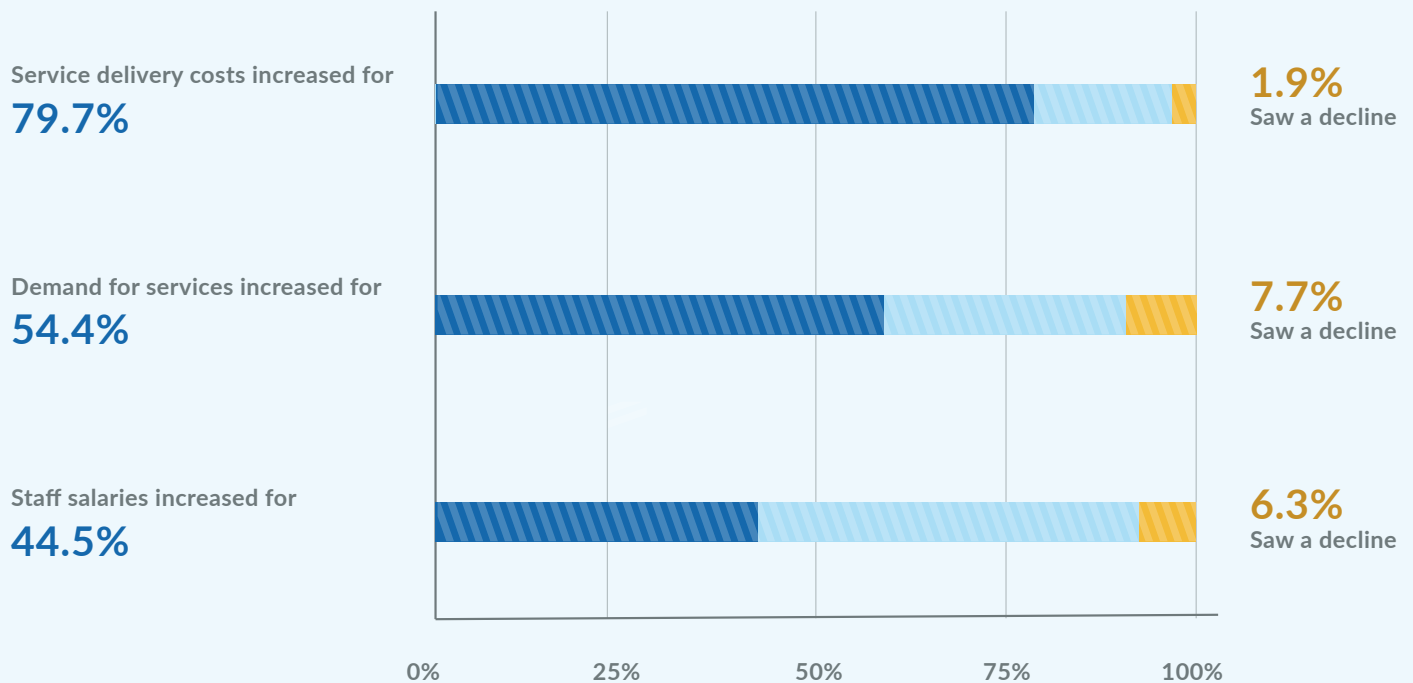
63.8%

with annual revenue over \$2,500,000

62.9%

with annual revenue between \$500,000-\$999,999.

FIGURE 9
The Effect of Inflation



2 Inflation is Intensifying Demand for Services, Increasing Service Delivery and Staffing Costs

Inflation in Canada has reached its highest levels in 30 years, peaking at 7.7% in May 2022. Canadians are not strangers to the effects — according to Statistics Canada, three in four expect rising prices to negatively impact their financial situation. But what donors may not be aware of is just how hard the rising cost of goods and services have hit charities.

A staggering eight in 10 charities report that inflation has impacted their service delivery costs while funding has not increased to match (see Figure 9). In addition to the costs of program delivery, staff costs are part of the inflationary challenges facing charities.

44.5% of charities say that staff salaries increased due to inflation. But without an increase in funding, the only option for many organizations is to reduce staff. A study of CanadaHelps charity clients conducted in August 2022 revealed that 17% of small charities believed inflation will be a contributing factor in their need to reduce staffing. This is further compounded by the fact that 55% of charities have seen a decline in volunteers.

From staffing to program delivery, charities are being negatively affected by inflation across nearly all areas of their operations.



3

While Demand is Up for Most Charities, Funds Raised Are Down

The startling increases in demand and inability of the majority of charities to meet current levels of demand has not been proportionally rightsized financially. 45.5% of respondents report that fundraising levels are equal to pre-pandemic levels, and for 31.3%, funding is below. Just 12.7% of respondents report that their current fundraising results are higher than pre-pandemic levels.

The gap between demand and funds raised exists across charities of all sizes, but it is more significant for smaller charities.

Figure 10 shows that funds raised today are lower than before the pandemic for 35.7% of charities with less than \$100,000 in annual revenue, while the same is true for only 22.7% of charities with over \$2,500,000 in annual revenue. Moreover, funds raised today are higher than pre-pandemic for only 10.2% of charities with less than \$100,000 in annual revenue, while the same is true for 21.3% of charities with over \$2,500,000 in annual revenue. This is one of the many challenges disproportionately impacting small charities. Others are discussed as part of issue numbers four and five.

FIGURE 10
Funds Raised Today Compared to Before the Pandemic, by Charity Total Annual Revenue

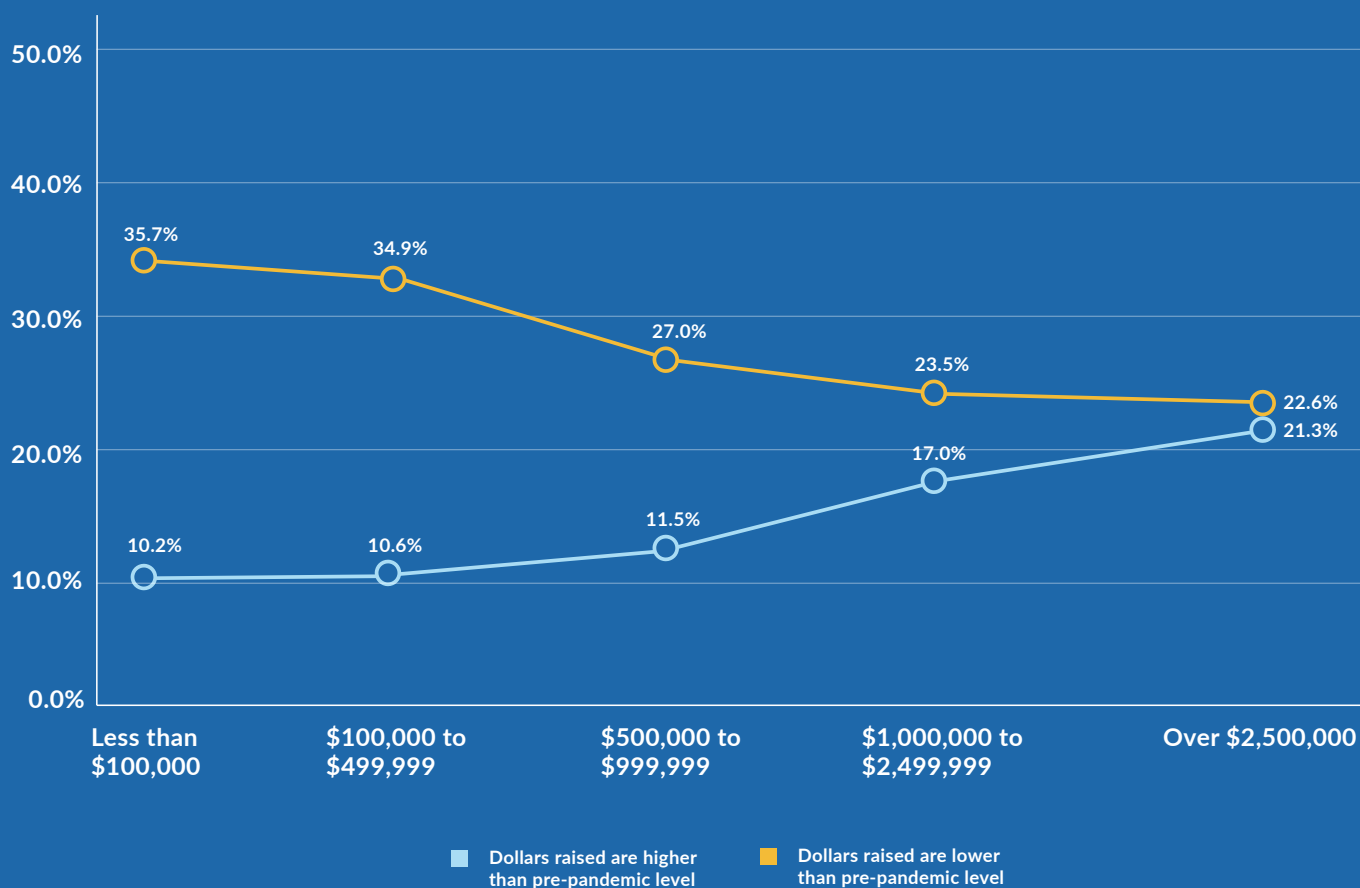
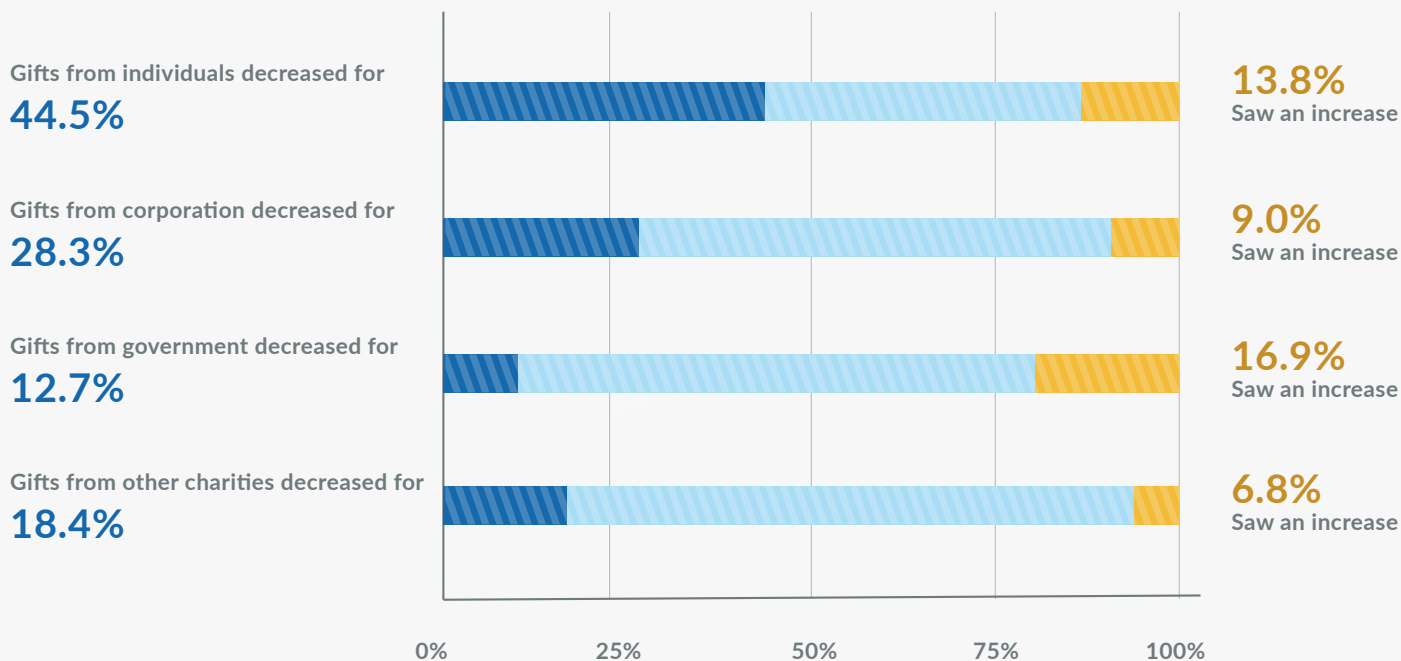


FIGURE 11
The Effect of Inflation on Donations



4 Gifts from Individuals, Corporations and Government are all Down

Across all key funding sources, significantly more charities reported declines in donations than those reporting increases (see Figure 11).

The net score (charities reporting a decrease less those reporting an increase) is a sizable concern at -30.7%, -19.3%, 4.3%, and -11.6% for donations from individuals, corporations, government, and charities, respectively.

Charities reporting a decline by funding source

-44.5%

in gifts from individuals

-12.7%

in gifts from government

-28.3%

in gifts from corporations

-18.4%

in gifts from other charities

Smaller charities are roughly twice as likely to report a decline in donations from government, individuals, and corporations. Moreover, nearly half of small charities say they did not receive donations from the government or gifts from other charities at all. This reliance on fewer types of donors leaves smaller charities more vulnerable to economic events affecting one or more donor types.



5 Smaller Charities Are At Risk

Overall more charities increased their investment in fundraising to help weather challenging times. This is true across all types of fundraising programs, with 12% of charities increasing spending on major donor program, 24% of charities increasing spending on events, and 30% increasing spending on digital storytelling (see Figure 12).

However, those same levels of increased investment were not seen for the 78% of charities smaller charities (defined as charities with less than \$500,000 in annual revenue). In fact, incredibly high numbers of small charities report having no investment at all in key fundraising areas, including:

55.4%

do not have a major donor program

45.6%

do not run events

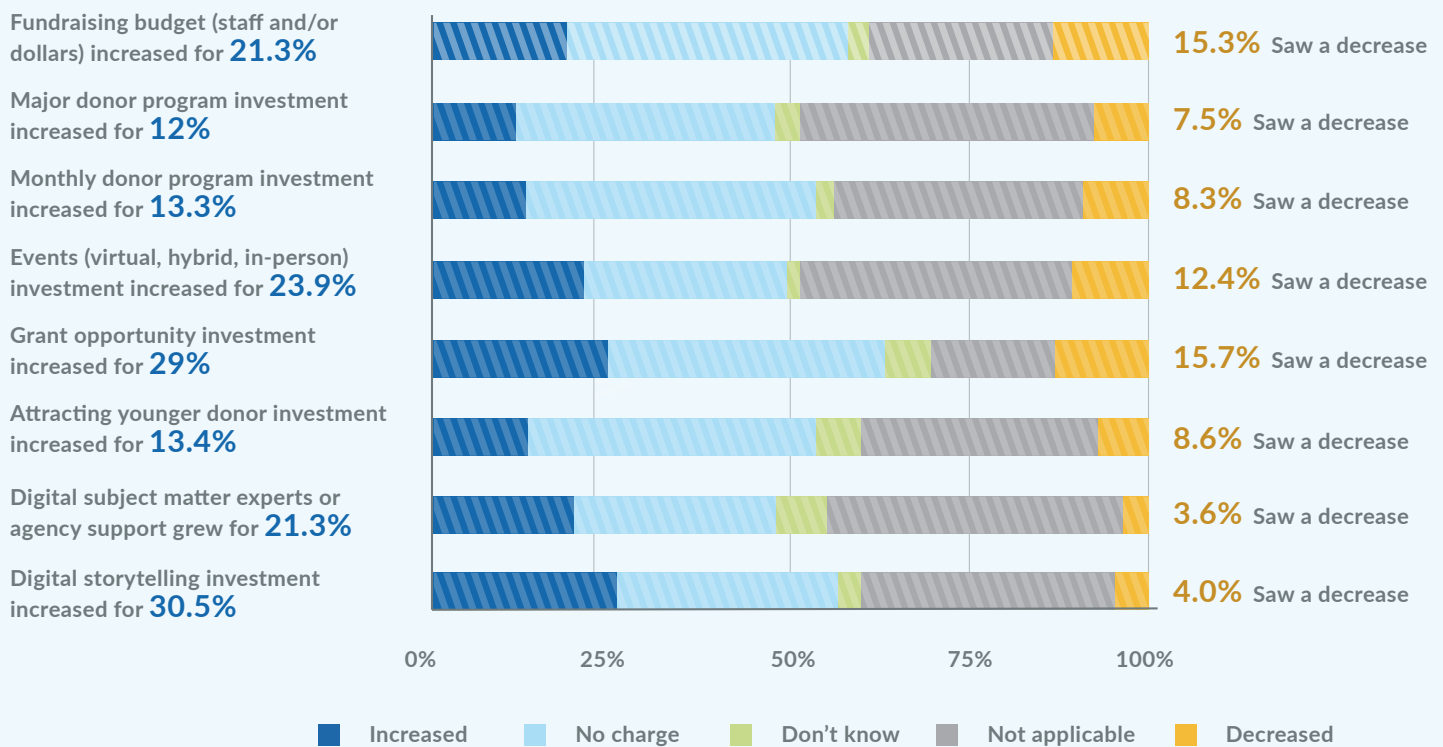
49.3%

do not have a monthly donor program

27.2%

have not pursued grants

FIGURE 12
Change in Investment in Last Year



Limited diversification of their fundraising programs is likely a contributing factor to why small charities did not adapt as well as large charities to the financial strains of year one of the pandemic. In 2020 (the most recent year data is available), small charities with less than \$500,000 in annual revenue experienced a 8% decline in margin (the difference between total revenue and expenses) compared to 2019. In contrast, medium and large charities with annual revenue above \$500,000 were able to better adapt to year one of the pandemic, experiencing a decline of only 4%.





6 Staff Burnout and Salaries Are Top Concerns

While many Canadians experienced burnout to varying degrees throughout the sustained pandemic, charitable sector employees have been hit particularly hard.

Out of 24 issues, after inflation, staff burnout was ranked the second highest concern for charities today. Looking ahead to 2028, charities rank staff burnout their third highest concern.

Burnout is a key indicator for staff turnover. Adding to the risk of staff turnover is the issue charities ranked as their sixth highest concern both today and in 2028: their ability to offer competitive salaries to retain staff and attract new staff (See Table 13 in the appendix).

While some organizations are trying to address the problem by providing wellness solutions, tools, and programs for staff, the sector as a whole doesn't seem to be doing enough to address the problem. When asked about staff health and wellness, only three in 10 charities say they have increased their investment, and another three in 10 have kept their investment the same. Moreover, 5.4% have actually *decreased* investments.

In a survey CanadaHelps conducted in August 2022, small charities said that staff burnout was in part a result of the increased demand for services, but it doesn't look like charities of any size are in a position to provide relief to their staff with additional support. As noted previously in this report, 57% are unable to meet their current demand levels, yet staffing isn't keeping pace. Close to 60% of charities have the same number of paid staff working with heightened service demands, and 15% have *decreased* staff since the pandemic started. Only 24% report more paid staff.

With an increased demand for services and charities having either the same or fewer staff members available to do that work, the sector remains vulnerable to high attrition rates as staff seek a more balanced workload.

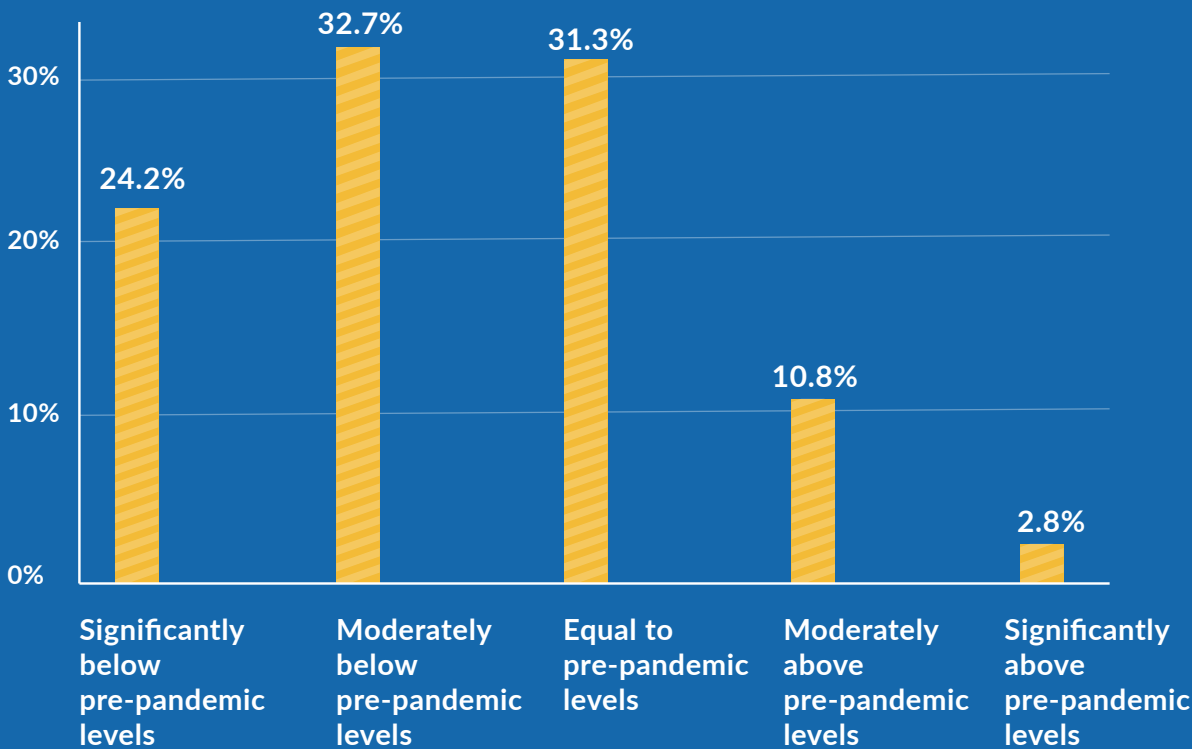
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Charities are Struggling to Rebuild their Volunteer Programs

Volunteer programs play a critical role in meeting demand for service for most charities. In fact, 58% of charities are solely run by volunteers in Canada. Our data also shows that 92% of respondents represent a charity with a volunteer program that has been in operation since before the pandemic.

That said, many charities continue to struggle to rebuild their volunteer programs post-pandemic.

FIGURE 13
Total Active Volunteers for Your Charity in the Last Year Compared to Before the Pandemic
Based on Income Tax Filings at Household Level



55.2% of respondents with volunteer programs that existed prior to 2020 report that the total number of active volunteers in the last year is below pre-pandemic levels, with 22.4% reporting total active volunteers are significantly below pre-pandemic levels (see Figure 13).

Unfortunately, the sector isn't expecting a rebound any time soon. On a 0-10 scale, where 10 is very concerned, 41.8% scored "Attracting Volunteers" as an eight or higher today. That number slightly increases in five years' time.

The struggles that charities are experiencing with rebuilding their volunteer programs, combined with the declining giving participation rates discussed earlier, are two very concerning issues. To thrive, a charitable sector needs a caring and engaged society.

8 The Majority of Charities Who Relied on COVID Relief Funding Are at Risk Without it

56% of survey respondents work for a charity that received government COVID relief funding. That number increases to 70% for charities with paid staff (See Figure 14).

Of survey respondents at charities who received the funding, the large majority, 93%, say the funding was important or somewhat important to their organization. 48.3% categorise the risk posed to their organization from the loss of COVID relief funding from the government as moderate to high risk to their organization's continuity.

The Community Services Recovery Fund (CSRF) is scheduled to end on March 31, 2023. Based on this study, it is clear this poses a serious threat to many Canadian charities struggling post pandemic, and in the thick of inflationary times.

FIGURE 14
COVID Relief Funding Level of Importance and Risk

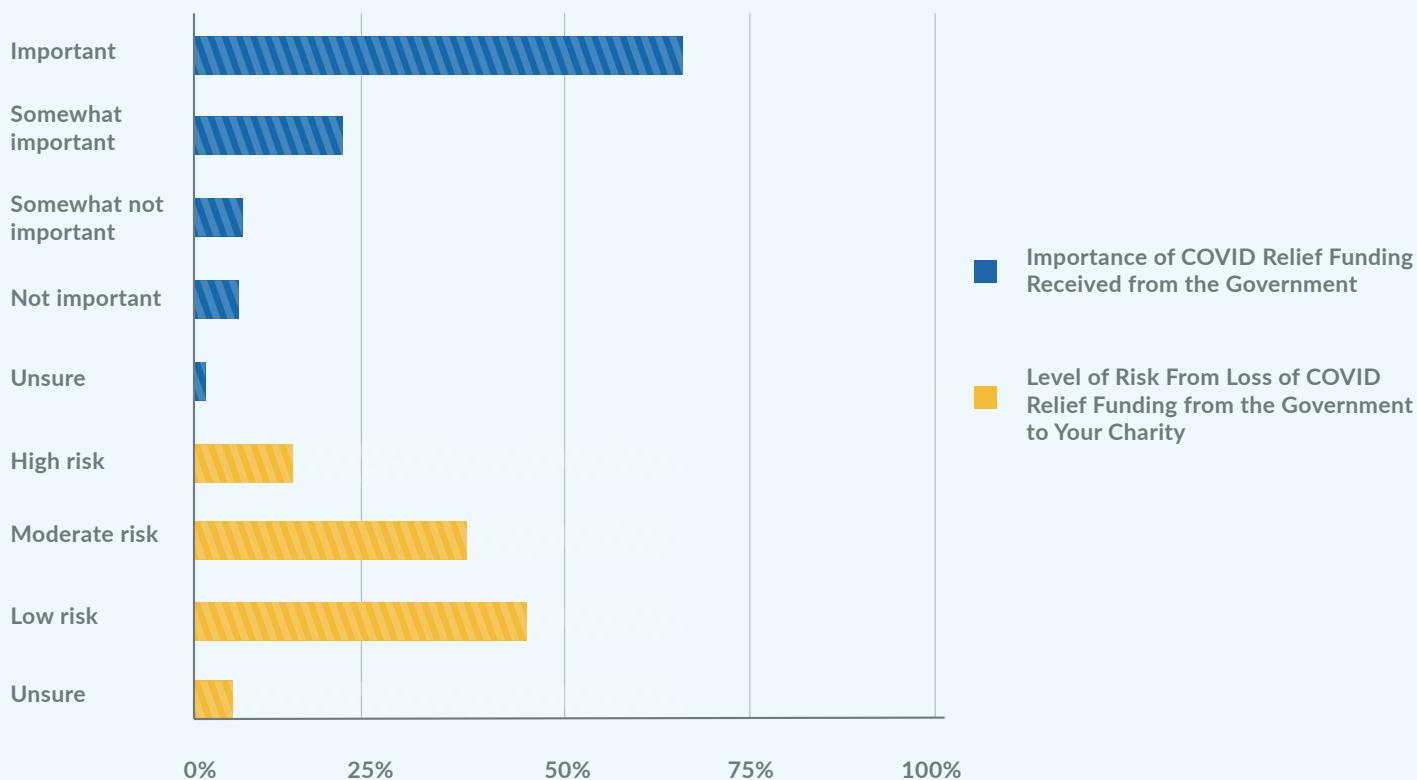
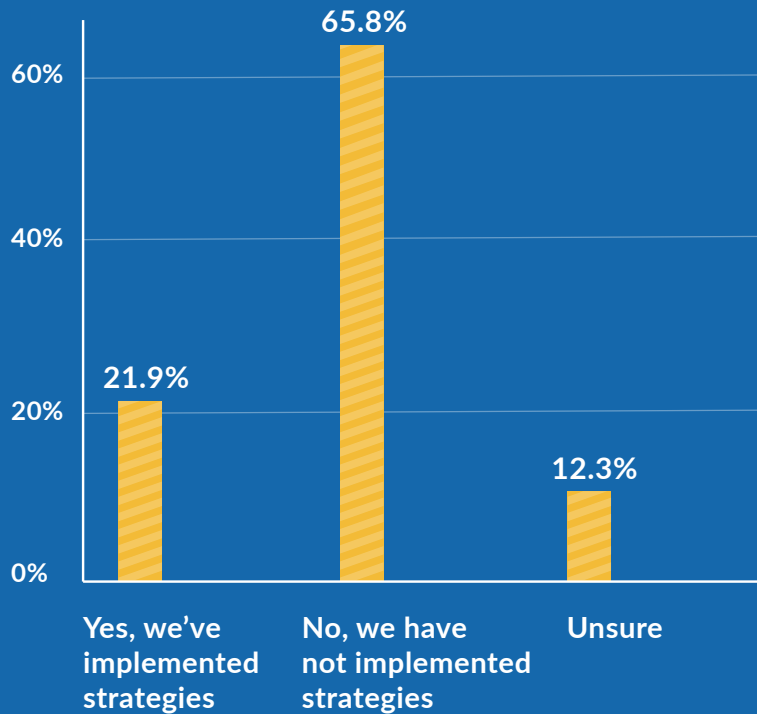




FIGURE 15
Has Your Organization Implemented Strategies to Specifically Engage Younger Canadians



9 Charities Have Lost Fundraising Momentum With Younger Supporters

Each year we seek to bring awareness to the approaching Giving Gap, a term we use to describe the gap in fundraising between younger and older demographics. To avoid the Giving Gap, charities need to attract younger supporters but the data shows we are failing to make progress with younger supporters. 49.5% of respondents say they're either dissatisfied or somewhat dissatisfied with the engagement their charity has seen with Canadians aged 18 to 30 years old.

As concerning as this is, potentially even more so may be the fact that this is in large part to do with our own efforts as a sector.

Only 21.9% of respondents say they have implemented a strategy intended to engage with younger Canadians (See Figure 15).



Charities who report a decrease with the Youth audience in areas regarding engagement on volunteering, fundraising and donating are more than double that of charities who report an increase:

13%

of respondents said donations from young people decreased compared to only 5% who saw an increase

13%

saw youth fundraising on behalf of their charity decrease while only 7% saw an increase

19%

saw volunteering decrease while only 14% saw an increase

Social media was the one area with an upturn in youth engagement. One in three charities saw an increase in following, sharing content, commenting and liking their organization's posts. This remains to be a considerable opportunity to build awareness and connections with a demographic known for using social media platforms as research sources.

With a majority of Gen Z and Millennials using social media on a daily basis, this provides charities direct access to reach this critical segment.





10 Working Structures are in Flux

Much like the rest of the Canadian workforce, the location of “work” evolved over the pandemic as offices adapted to work-from-home.

45% of charities have changed their working structure since the pandemic. Of those, before the pandemic 85% of charities were fully in person, 14% hybrid, and 1% fully remote. Today, 39% are fully in person, 49% hybrid, and 12% fully remote. The divided composition of today’s workforce largely reflects the essential need for in-person to provide many charitable services, like community health, shelter and animal care.

The good news? For charities that have changed their working structure, 40% see the change as positive while (a score of eight or higher out of one) 48% are neutral (a score of four to seven) and the remainder split between unsure or seeing the change as negative.

According to a report by Own + Global Workplace Analytics, 86% of people said remote work would make them happier and 62% said it makes them feel more productive.

So although charities may feel they’ve settled into a new normal, continued evolutions of working structures could be necessary to avoid retention rates from declining.



When Does Optimism Become an Issue?

By Duke Chang,
President and CEO, CanadaHelps

Without a sense of optimism and longing for change, many charities would have never been established.

The sector was built on hope for a better future. While the inception of some charities were sparked in the shadows of global crises such as plagues, world wars, humanitarian crises, natural disasters, and pandemics, charities today are run by and large, by those who work optimistically to address the problems of the day and the great challenges of our times. Charities have a vital role to play alongside private sector and government to build a vibrant society.

But at what point does optimism become an issue and is it time to take off our rose coloured glasses?

Our study found that 47% of Canadian charities report an optimistic outlook on our future strength, while only 8% have a pessimistic look. 40% are neutral. Yet in nearly every critical element driving a charity's success, there are significant concerns:

57%

say that their ability to meet service demand significantly or moderately exceeds capacity

55%

say volunteer levels are below pre-pandemic level

80%

experienced an increase in the cost to deliver services

13%

had a drop in youth fundraising for their organization

13%

experienced a drop in donations from young people

The statistic that tops them all looks to the future. 100% of the top 10 issues that concern charities today remain the same in the five year outlook. For a sector that is intended to drive waves of change to tackle our biggest, most pressing, local and global issues, the very individuals tasked with driving that change struggle to see how we make change for ourselves as a sector. We need to carve a path forward, together.

We know first hand from our daily interactions with charities how they work hard, smart, and efficiently to make a difference on very lean budgets. We also know there is work to do when it comes to meeting demand and to create systemic change. That said, with these alarming trends in mind, the fact that only 47% of respondents are optimistic about the future strength of the charitable sector suggests that some charities may be experiencing a blind spot, not seeing the current crisis for what it is.

For those that work in the charitable sector, these concerns are not new, but we can't allow our optimism to prevent us from taking a hard look at the challenges in our way and from taking strong action. We must talk about these challenges openly and transparently to find solutions and bring visibility to Canadians and our government so they can understand the importance of the value we provide and our need for the continued generosity and support to deliver that value.

We need to shift our optimism to a healthy sense of realism and get comfortable with having uncomfortable conversations about where we are and where we need to go. I am confident that if we work together we will persevere to build an even stronger charitable sector and society for Canada.



Looking Ahead: What Canadian Charities Need to do in this Time of Uncertainty

“If you do not change direction, you may end up where you are heading.” -Lao Tzu .

For the charitable sector, this quote may provoke unsettling thoughts. We are on unsteady ground today and without meaningful and intentional changes, we very well might find ourselves in even rougher territory in five years' time.

Throughout this study we've listened to what charities say is plaguing them most, from resources to the ability to meet demand, and all of the considerations that span in between. If you are a Canadian reading this report because you care about the health of charities, you're likely feeling uneasy about the state of the sector today. You're not alone, but the sector is not without hope. The first step is to have an honest conversation about the challenges in our way to approach change in a systematic and intentional way.

Looking forward, we've narrowed in on the **5 most impactful changes** charities can focus on in order to increase the health and security of our sector. It's important to note that some of these changes also involve Canadians shifting their perception and expectation from their favourite charities.



Focus On Understanding Donors

For years, charities have worked in overdrive to address evolving crises in Canada and abroad; this is especially so for smaller organizations with less capacity to address these ever changing needs. In the busyness, many charities have lost line of sight into the needs and interests of the donor.

Choosing to support a charity is an incredibly personal experience for many, and as a result, they want to see themselves as a part of the story.

In 2023, how can we make donating an experience — a meaningful engagement — not just an action? What can we do to revisit our core values of empathy and apply those to our donors' experiences, like we do so well for our beneficiaries? How can we show that we both appreciate their contribution and the change they're making, and that we understand the personal sacrifices they may have needed to make in order to do so? How can we help them to feel and see the impact they create and that they are not alone but rather a part of a group of likeminded changemakers?

Foundational level information you can begin to collect and use to develop deeper relationships with your donors include: why your charity's work is important to them, how they came to learn about your organization, what types of updates they'd like to receive, and the ways they like give. You can then adapt your engagement plan based on the information you collect as well as other signals. For example, If they gave in memory or in honour of someone, understanding this relationship and approaching them sensitively is critical. To build any great relationship, it's important to know and understand the nuances of who you are talking to.

The last few years have been busy but as we approach 2023, we need to take the time to appreciate and connect with the people who make our work possible. It's time for us to strengthen our relationships with the Canadians who have the same goals and passion for change we have.



Create Youth Engagement And Donation Opportunities

Half of all Canadian charities said they were unhappy with the engagement they had from youth (18-30 years) this year.

6.5 of every 10 charities say they didn't implement strategies to engage younger Canadians in 2022. From last year's iteration of The Giving Report, we know that younger generations maintain a higher level of trust in charities than older Canadians. They are also more likely to take steps to learn about issues, spread the word on social media, or engage in protests. For younger Canadians that do not give today, they intend to give in proportionate numbers when they are in the position financially to do so. They care deeply about a wide variety of causes, and it's up to charities to develop strategic tactics to engage younger Canadians, knowing that many will donate fewer dollars early on in their donor journey.

In our analysis this year, we found that charities raising less are more likely to have lower engagement levels with younger Canadians. Respondents who report their charity is now raising less than they did pre-pandemic note steeper declines in engagement rates among younger Canadians when compared to charities that increased or maintained pre-pandemic fundraising levels.

Over time, young Canadians will need to fill the shoes of older donors, a group that many charities currently see as their most important supporters. Engaging younger Canadians is key to future sustainability. It's also an opportunity to learn new approaches and practices for growth. It's time to connect with younger Canadians today who will fuel our mission and social change in the future.

Rebuild Your Value Proposition For Volunteers

Volunteers are at the very heart of our sector. While most organizations engage with volunteers in some capacity, be it fundraising or executional support, others are dependent on volunteers to run the totality of their operations. As previously noted, 58% of small charities in Canada are fully run by volunteers.

Yet, despite volunteers being central to carrying out charity's missions, their needs are frequently overlooked.

42% of charities ranked volunteer burnout as an eight or higher on a scale from 0-10, with 10 being very concerned. 48.9% say that total volunteer hours are significantly below or moderately below pre-pandemic levels. That number increases to just over 55% when looking at the number of total active volunteers.

It's clear that while we know the importance of volunteers, we're not doing enough to keep them. From engaging volunteers to safeguarding them

against burnout, we need to better address the dissatisfaction of this critical arm of our sector.

But what does that look like?

Unfortunately, the answer may not be clear, but it does start with a simple action: ask them. In order for us to understand what gets them motivated, what keeps them engaged, what prevents them from investing more hours, what leads them to feeling burnt out, or what causes them to step away, we need to open a conversation.

Their answers will help guide our next steps. More time will need to be invested into attracting and retaining volunteers. More resources will need to go into safeguarding against their burnout. But it's this type of honest and earnest approach that will help us develop the roadmap we need to get back on the right path with these teams.



Invest In Capacity And Thoughtfully Address Staff Burnout

Sector demand exceeding charity capacity isn't going to be a blip on our radar. With an uncertain economic future creating worries around future revenue, plus more Canadians relying on charities to meet their basic needs, we have a responsibility to address this internal strain by increasing staff capacity.

Admittedly, this is a difficult reality for charities. Headcount and agency outsourcing both mean one thing: expense. But the antithesis of taking this action is how we've ended up with extraordinarily high levels of concern around staff burnout and retention rates. For Canadians,

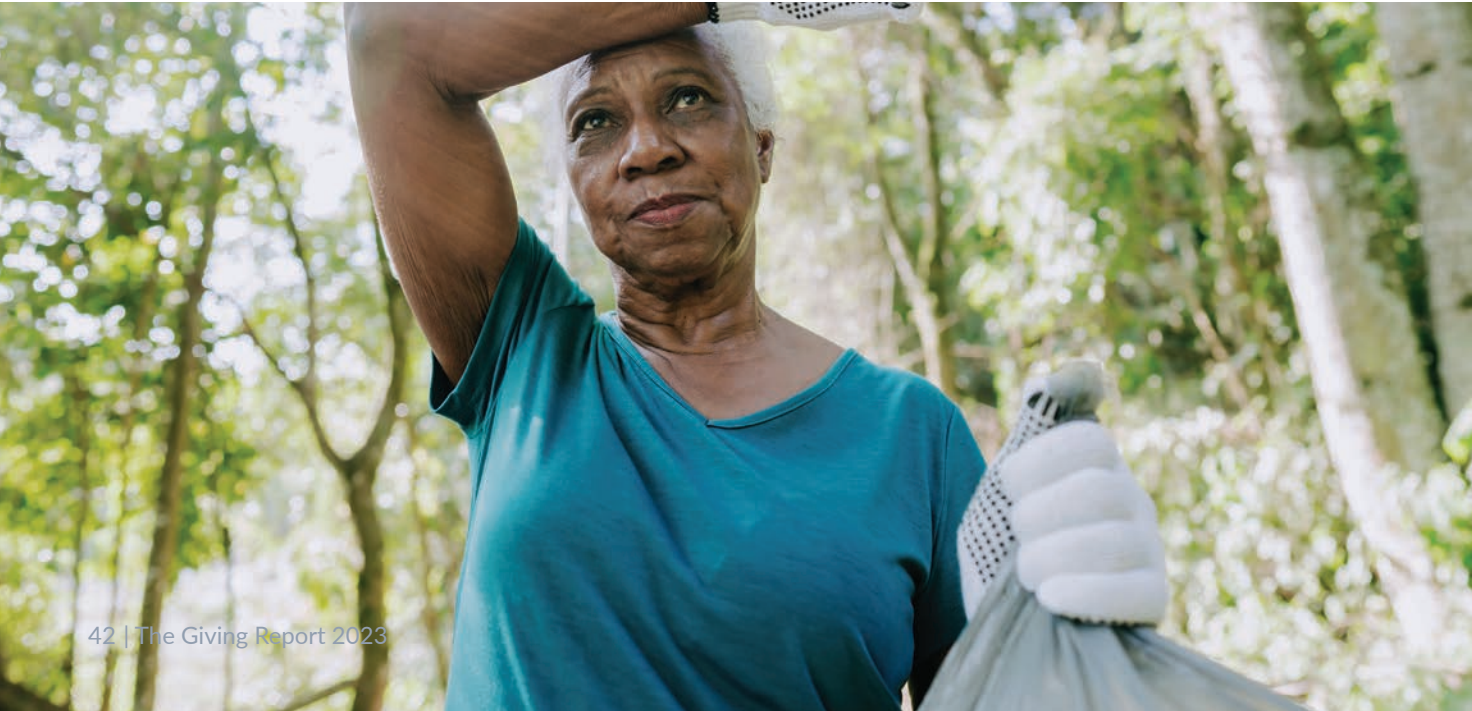
this means that donors shouldn't take issue with responsible investment in staff salary and development to retain staff in order to continue their important work.

We have to start seeing our staff's mental well-being as a critical KPI. Mental well-being in turn creates increased productivity and sustainable work, and operational effectiveness. Ensuring your staff capacity accurately reflects your organization's workload will almost certainly require more funding, but achieving this metric could ultimately be your most important step to ensuring organizational success.

Take a Holistic Approach to Digital Transformation

When some organizations think 'digital,' they think of specific people or teams in their organization (or lack thereof) championing their website, digital marketing, financial software, and CRM.

Digital is part of all of those areas, but it's much more than that, as well. Our investments in digital need to be infused into every area of our organizations to create a truly transformative approach to our processes, technologies, infrastructures, and ways of working.



As much as charities would like to think that donors understand they're doing their best and hold them to "charity standards," that's simply not the bar that Canadians will measure with. The experience donors have with your charity are compared to their experience with the Amazon's and Netflix's of the world. This means that they are now expecting personalized and relevant communication journeys, easy payment experiences, and intuitive website design.

Within organizations, staff and volunteers alike expect access to digital wellness programs, collaborative project management tools, and software that allows them to automate repetitive work to ultimately increase their efficiencies to do even more.

Digital transformation is the baseline to future proof a charity and its productivity. While the initial investment feels significant, it's a critical element in any organization's future success.

If you work for a charity you may be asking: *How can I take these steps? Where can I find the funds? Where can I find the time?* There are no easy answers.

Break it down, prioritize, and take on one project at a time to ensure you're moving in the right direction. Intentionally recruiting volunteers with the technical skills you need may also be an option. Most importantly, now is the time to engage funders and find granting opportunities. Openly discuss what is needed to create the change they want to see today, and into the future.





It's Time for a Change

2022 was a year of constant challenges. A year that both revealed and worsened challenges the sector has long faced, which include a smaller proportion of Canadians donating, increasing demand for service, volunteer and staff burnout, and challenges investing in the long-term plans required to tackle the most complex and important challenges we face.

In 2023, one thing is all but guaranteed; economic uncertainty will continue. As this report has also shown, the challenges and concerns of charities today will be the challenges and concerns we will contend with throughout the next year and beyond.

It's time for a change. It's time to ask the hard questions and open lines of communication for difficult discussions. It's time to acknowledge and tackle the dire trends facing charities and the sector as a whole. We have shared five key steps every charity can take today to emerge from 2023 stronger. But, change will require all of us.

This is also a challenge for Canadians. Are you truly working towards the change you want to see? Is it time to return to volunteering? Are you ready to celebrate charities that invest in needed capacity? For those who are able, are you ready to fund the capacity required to create long-term sustainable strategies for change? Even if charities are not asking, open a conversation and share what is most important to you.

There is a challenge for charities, too. What can you do to celebrate and protect your staff, helping them avoid burnout and support their growth? Are you creating meaningful relationships with the Canadians who are supporting your work? Are you doing everything you can to encourage government and corporations to fund capacity-building initiatives so we emerge from the pandemic stronger?

This is a call to action for Canadians and charities alike, to work together in new and innovative ways so we can ensure safe, healthy, vibrant communities where diversity is celebrated, communities are supported, and giving is part of our daily lives.

It's time for that conversation. It's time for a change.

Data Sources and Notes

Proprietary Generational Research Study

CanadaHelps commissioned Nanos Research to conduct a survey with the goal of assessing the current state of the charitable sector and helping Canadians understand the challenges charities are facing and the importance of their financial support.

Nanos conducted the online survey of 2948 charity professionals representing 2860 unique charities, from a list provided by CanadaHelps, between November 14th and 22nd, 2022. The survey. 51% of respondents hold Executive roles while 16%, 13%, and 9% respectively hold roles in Finance, Administration, or Fundraising, with the remainder of respondents holding roles in Program Delivery, Human Resources, Communications, or other areas. The survey is highly representative of the diversity of the sector in terms of charitable category, and the size of charities respondents represent as measured by the number of employees, total annual revenue, and annual receipted revenue. When such data is used to provide further insights, care has been taken to ensure each group has 350 or more respondents.

CanadaHelps Charity Client Research Study

Results are based on a survey that was sent on August 12th and completed by 702 charity professionals of which 657 (94%) work at small charities with receipted donations and revenue of under \$500,000.

Inflationary and Pandemic Research Studies

CanadaHelps commissioned Ipsos to conduct a poll in January 2022 and October 2022, exploring the impacts of inflation and the pandemic on demand for charitable services and giving to Canadian charities. Both polls were comprised of 1,000 Canadians who were older than 17 years. Weighting was employed to balance demographics to ensure that the sample's composition reflects that of the adult population according to Census data and to provide results intended to approximate the sample universe. The precision of Ipsos online polls is measured using a credibility interval. In this case, the poll is accurate to within ± 3.5 percentage points, 19 times out of 20, had all Canadians aged 18+ been polled. The credibility interval will be wider among subsets of the population. All sample surveys and polls may be subject to other sources of error, including, but not limited to coverage error, and measurement error.



Donations made using CanadaHelps.org, and CanadaHelps fundraising software CanadaHelps maintains a charity database that is aligned with the Canada Revenue Agency's official charities listing, but this database is also supplemented by information entered by the charities themselves or researched by CanadaHelps.

Statistics Canada, Centre for Income and Socioeconomic Well-being Statistics Income Statistics Division, T1 Family File, Reference 22056 - 1012178

Postal Code Validation Disclaimer: The geography in T1FF tables is based on an amalgamation of Postal CodeOM which does not always respect official boundaries. Statistics Canada makes no representation or warranty as to, or validation of, the accuracy of any Postal CodeOM data.

Canada Revenue Agency, T3010 Registered Charity Information Return Information as of July 2020

Disclaimer from the Canada Revenue Agency: The information in this document has been provided by an information technology provider. Efforts have been made to ensure that the information contained herein is correct. The Charities Directorate is not responsible for the quality, accuracy, reliability, or currency of the information contained in this package. Statistics and data are produced or compiled by the Charities Directorate for the sole purpose of providing Canadians or individuals with direct access to public information about registered charities in Canada. The CRA is not responsible for the use and manipulation by any persons of this information.

Registered charities are required to file a T3010 return annually with the Canada Revenue Agency. These returns contain a wealth of information about organizational activities, finances, human resources and governance. Our analyses are based on Canada Revenue Agency's dataset of return. Our analyses excluded registered charities believed to be associated with gifting tax shelter arrangements.

Revenue analyses are based on the raw amounts reported by charities. Because of significant reporting errors, analyses of paid staff numbers are based on manually cleaned and corrected numbers of full-time paid staff.

Statistics Canada. Table: 36-10-0222-01 (formerly CANSIM 384-0038). Gross domestic product, expenditure-based, provincial and territorial, annual (x 1,000,000)

Statistics Canada. Table 17-10-0005-01. Population estimates on July 1st, by age and sex.

Statistics Canada. Table 14-10-0023-01. Labor force characteristics by industry, annual (x 1,000).

Statistics Canada. Table 36-10-0478-01. Supply and use tables, detail level, provincial and territorial (x 1,000)

Statistics Canada. Table 36-10-0438-01. Supply and use tables, summary level, provincial and territorial (x 1,000,000).

Statistics Canada. Table: 11-10-0002-01 (formerly CANSIM 111-0002) Tax filers with charitable donations by sex and age

Statistics Canada. 11-10-0047-01 (formerly CANSIM 111-0041) Summary characteristics of Canadian tax filers (preliminary T1 Family File)

Statistics Canada. 11-10-0130-01 (formerly CANSIM 111-0001) Summary of charitable donor



Data Sources and Notes

Inflation adjustments

Except for CanadaHelps' online donation data, all dollar amounts reported from the above sources that were adjusted for inflation are expressed in constant 2020 dollars. Nominal dollar amounts were adjusted using Statistics Canada's all-items annual average Consumer Price Index Consumer Price Index, annual average, not seasonally adjusted, Table: 18-10-0005-01 (formerly CANSIM 326-0021). Dollar amounts reported from other supplementary data sources are reported in nominal dollars.

Timeframe

Generally speaking, our analyses included the most recent full year available. For external data sources, this was usually 2020. For CanadaHelps' online donations data, including analysis conducted by Environics Analytics, this was 2022. However, where necessary, we aligned the timeframe with the most recent full year available of the data we were comparing to.

Projection Methodology

- Going back to 2007 data, analysis by CanadaHelps determined a very strong correlation between overall giving and Gross Domestic Product (GDP).
- The analysis also determined a strong correlation between year-over-year (YoY) growth rates of overall giving and YoY growth rates of GDP.
- Using final 2021 GDP data, the 2021-2023 GDP output is projected to surpass pre-pandemic levels by the end of 2021 and grow faster than the trend of 3.9% in 2022 and 2.8% in 2023, impacting positively based on the previous relationship on the Giving Trend.
- 2022-2023 GDP was forecasted based on estimates from two sources: Organization for Economic Co-operation and Development (OECD).

References:

OECD

https://read.oecd-ilibrary.org/view/?ref=1118_1118299-eh4a7fvuct&title=Country-profile-Canada-OECD-Economic-Outlook-Volume-2022-3

30 Years of Giving, Imagine Canada and Rideau Hall Foundation

<https://www.imaginecanada.ca/en/research/30-years-of-giving>

Appendix

The Sector At A Glance

86,000

The number of registered charities in Canada.

91%

The percentage of charity revenue spent on charitable activities, on average.

9%

The percentage of charity revenue spent on administration and fundraising.

8.3%

What nonprofits represented of Canada's GDP in the second quarter of 2021.

10%

The percent of Canada's workforce employed full-time by charities in 2019.

90%

The percent of charities that have 10 or fewer staff members.

78%

The percent of charities with annual revenue of less than \$500,000.

The percentage of charity revenue from government funding:

67%

Overall



71%

Charities with \$2,500,000 or more in annual revenue



17%

Charities with less than \$100,000 in annual revenue



The percentage of charity revenue from receipted donations:

6%

Overall



4%

Charities with \$2,500,000 or more in annual revenue



80%

Charities with less than \$100,000 in annual revenue





TABLE 1

Number of Full-Time Employees in Canada, Employed by Charities and All Organizations									
Industry	2014	2015	2016	2017	2018	2019	2020	Growth between 2014 and 2020	CAGR
Employed by Charities	1.5 M	1.4 M	1.5 M	1.5 M	1.5 M	1.5 M	1.6 M	10.90%	1.70%
Employed (All Industries)*	14.3 M	14.4 M	14.5 M	14.8 M	15.1 M	15.4 M	14.8 M	3.30%	0.50%
Percent Employed by Charities	10.2%	9.8%	10.1%	10.1%	10.2%	10.0%	10.9%		

CAGR = Compound Annual Growth Rate

*2021 data shows that Employment (All industries) normalized in 2021 to 15,398,100.

Source: <https://www.statista.com/statistics/464156/number-of-full-time-workers-in-canada/>

TABLE 2

2020 Expenditure by Type of Charity								
Charity Type	Charitable Activities	Management / Admin	Fundraising	Gifts to Qualified Donees	Other	Computed Sum of Breakdown Expenses	Reported Total Expenditures	Variance
Charitable Organization	\$218,088.1 M	\$21,747.7 M	\$1,654.6 M	\$4,489.7 M	\$10,428.4 M	\$256,409.1 M	\$280,899.7 M	8.7%
Private Foundation	\$1,334.7 M	\$2,81.0 M	\$10.2 M	\$3,223.5 M	\$67.2 M	\$4,916.6 M	\$5,148.5 M	4.5%
Public Foundation	\$1,090.7 M	\$680.2 M	\$887.0 M	\$5,134.1 M	\$158.1 M	\$7,950.0 M	\$8,038.8 M	1.1%
Total	\$220,513.4 M	\$22,708.9 M	\$2,551.9 M	\$12,847.2 M	\$10,653.7 M	\$269,275.7 M	\$294,086.9 M	8.4%
Distribution	82%	8%	1%	5%	4%			

TABLE 3

Number of Charities by Full-Time Employees									
Full-Time Employees	2014	2015	2016	2017	2018	2019	2020	Percent of Total (2020)	Compound Annual Growth Rate
0 or not entered	48,890	48,822	48,671	48,677	48,885	49,157	49,302	58%	0.1%
1 to 2	17,537	17,333	17,077	16,869	16,542	16,299	16,077	19%	-1.4%
3 to 5	6,769	6,878	6,858	6,844	6,817	6,741	6,615	8%	-0.4%
6 to 10	4,078	4,051	4,002	4,035	4,089	4,065	4,055	5%	-0.1%
11 to 50	5,411	5,462	5,554	5,569	5,642	5,612	5,750	7%	1.0%
51 to 200	1,490	1,553	1,561	1,598	1,669	1,663	1,764	2%	2.9%
200 or more	816	798	734	745	744	740	768	1%	-1.0%
Total	84,991	84,897	84,457	84,337	84,388	84,277	84,331	100%	-0.1%

TABLE 4

Number of Charities by Total Revenue									
Total Revenue	2014	2015	2016	2017	2018	2019	2020	Percent of Total (2020)	Compound Annual Growth Rate
Less than \$100,000	43,531	43,349	42,643	41,839	41,931	40,781	42,343	50%	-0.5%
\$100,000 - \$499,999	24,511	24,463	24,504	24,520	24,468	24,538	23,687	28%	-0.6%
\$500,000 - \$999,999	6,497	6,464	6,637	6,773	6,710	6,974	6,693	8%	0.5%
\$1,000,000 - \$2,499,999	5,022	5,103	5,101	5,361	5,410	5,640	5,414	6%	1.3%
\$2,500,000 - \$4,999,999	2,110	2,157	2,249	2,308	2,309	2,516	2,435	3%	2.4%
\$5,000,000 or more	3,320	3,361	3,323	3,536	3,560	3,828	3,759	4%	2.1%
Total	84,991	84,897	84,457	84,337	84,388	84,277	84,331	100%	-0.1%

TABLE 5

Total Revenue by Funding Source and Size of Charity									
Total Revenue	Received Gifts	Government Funding	Inter Charity Gifts	Other	Total	Percent Re-ceived Gifts	Percent Govern-ment Funding	Percent In-ter Charity Gifts	Percent Other
Less than \$100,000	\$651.2 M	\$140.4 M	\$91.2 M	\$252.8 M	\$815.6 M	80%	17%	11%	31%
\$100,000 - \$499,999	\$2,316.9 M	\$1,248.1 M	\$355.1 M	\$1,719.9 M	\$5,640.1 M	41%	22%	6%	30%
\$500,000 - \$999,999	\$1,427.6 M	\$1,428.3 M	\$325.3 M	\$1,544.5 M	\$4,725.6 M	30%	30%	7%	33%
\$1,000,000 - \$2,499,999	\$1,981.0 M	\$3,062.6 M	\$619.3 M	\$2,818.0 M	\$8,480.8 M	23%	36%	7%	33%
\$2,500,000 - \$4,999,999	\$1,572.6 M	\$3,506.5 M	\$605.7 M	\$2,876.6 M	\$8,561.4 M	18%	41%	7%	34%
\$5,000,000 or more	\$11,026.5 M	\$195,762.4 M	\$6,827.9 M	\$63,427.2 M	\$277,044.0 M	4%	71%	2%	23%
Total	\$18,975.8 M	\$205,148.3 M	\$8,824.4 M	\$72,639.0 M	\$305,587.6 M	6%	67%	3%	24%

TABLE 6

Online Giving Index Values by Year, Category						
Category	Online Giving Index Value (as of December)					
	2018	2019	2020	2021	2022	2022 Excluding Crisis Donations
Overall	97.6	101.7	175.5	80.2	93.4	86.9
Animal Charities	97.3	103.1	152.0	91.9	92.0	91.4
Arts & Culture	99.8	101.5	172.5	88.6	84.5	84.0
Education	97.1	96.5	147.1	89.7	112.1	89.4
Environment	92.8	102.8	161.5	93.7	89.4	88.6
Health	99.3	102.7	190.9	72.8	95.9	89.7
Indigenous Peoples	89.7	119.5	247.7	181.2	61.9	61.7
International	90.3	111.1	105.9	99.5	147.0	79.6
Public Benefit	98.7	103.3	196.2	73.5	97.6	95.0
Religious	93.4	99.9	142.4	86.4	77.5	76.2
Social Services	97.3	105.7	202.6	76.1	102.5	91.1

TABLE 7

Environics Analytics Donor Segments	
Donor Segment	Description
Wealthy Families	Wealthy Families are middle-aged and older families residing in Canada's most affluent communities with a strong propensity for charitable engagement.
Downtown Donors	Downtown Donors are young, white-collar singles and couples living in vibrant urban centers across Canada, engaged across multiple donation categories.
Senior Donors	Senior Donors are suburban and urban-dwelling households with a mix of empty-nesters and mature families approaching a comfortable retirement from careers across blue-collar and service sector careers.
Suburban and Rural Families	Suburban and Rural Families are larger, middle-aged families scattered across small communities; these upper-middle-income earning families have turned their college and high school educations into careers in management, education, the trades, and primary industries.
Diverse Families	Diverse Families are multicultural families residing in urban-fringe neighbourhoods that tend to be large households, with an increased presence of adult children (aged 25+) and multi-generational households, multiple donors live within a single residence.
Older Suburban and Rural	Older Suburban and Rural are older donors, who may be approaching the end of careers in the trades or primary industries, as well as an empty nest, can be found living in small communities across Canada.
Urban Mix	Urban Mix are younger singles living in vibrant urban centers who may have recently entered the workforce and, in turn, earn modest incomes from white and grey-collar occupations; they give smaller dollar amounts, however, are likely to give multiple gifts a year.

TABLE 8

2022 Canadian Donors, By Donor Segment and Key Giving Insights				
Donor Segment	Proportion of Unique Donors	Percent of Total Annual Giving	Average Number of Donations	Average Gift Amount
Wealthy Families	21%	27%	3.7	\$ 209.77
Suburban and Rural Families	15%	14%	3.4	\$ 170.30
Downtown Donors	11%	15%	4.4	\$ 182.90
Non-Target	11%	9%	3.7	\$ 138.36
Urban Mix	9%	8%	4.1	\$ 134.57
Diverse Families	9%	8%	3.5	\$ 165.57
Senior Donors	8%	7%	3.6	\$ 148.83
Older Suburban and Rural	8%	7%	3.5	\$ 148.06
Francophone	7%	4%	3.1	\$ 122.10

TABLE 9

How Donor Segments Gave to Select Charitable Categories in 2022											
Donor Segment	Total Donors	Increase/Decrease in Donation Share by Category									
		Animal Charities	Arts & Culture	Educational	Environment	Health	Indigenous Peoples	International	Public Benefit	Religious	Social Services
Downtown Donors	11.9%	+0.9%	+8.2%	+2.4%	+3.8%	+0.2%	+13.3%	+1.9%	+1.0%	-3.0%	+1.3%
Philanthropic Families	16.7%	-0.7%	+3.9%	+2.2%	+2.8%	+1.2%	-1.6%	+2.9%	+1.1%	+1.0%	+1.3%
Maturing in Suburbia	7.0%	+1.0%	+0.2%	+0.0%	+1.3%	+0.5%	-1.5%	-0.5%	+0.3%	-0.2%	+0.1%
Older Rural Families	13.9%	+1.9%	-3.6%	-1.0%	-1.1%	+0.4%	-3.3%	-2.4%	-0.4%	-1.7%	-0.3%
Diverse Families	13.4%	-1.9%	-3.9%	-1.0%	-3.4%	-1.4%	-2.2%	-0.2%	-1.5%	+2.1%	-0.4%
Young Diversity	4.4%	+0.1%	+0.9%	+0.4%	-0.1%	-0.2%	+1.9%	+1.0%	+0.4%	+1.0%	+0.4%
Older Diverse Households	5.8%	-1.0%	-1.0%	-0.2%	-1.2%	-1.0%	+0.9%	+1.7%	-0.5%	+3.5%	+0.1%

TABLE 10

2022 Canadian Donors, By Donor Segment and Key Giving Insights				
Donor Segment	Proportion of Unique Donors	Percent of Total Annual Giving	Average Number of Donations	Average Gift Amount
Wealthy Families	21%	27%	3.7	\$ 209.77
Suburban and Rural Families	15%	14%	3.4	\$ 170.30
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Francophone	7%	4%	3.1	\$ 122.10

TABLE 11

Claimed Donation Insights by Family Income					
	2020	Compound Annual Growth Rate, 2010 to 2020			2020
	Percent of Families	Number of Families	Number of Families Claimed Donations	Family Average Donation Amount	Family Average Donation Amount
Less than \$60K	46%	-1.0%	-5.4%	-4.5%	\$942
Between \$60k and \$99.9k	23%	2.1%	-2.4%	1.4%	\$1,361
Between \$100k and \$149.9k	16%	4.1%	-0.5%	5.5%	\$1,635
Between \$150k and \$249.9k	11%	7.6%	3.6%	5.6%	\$1,984
More than \$250K	4%	8.8%	6.2%	-0.1%	\$9,510
Total families	100%	1.4%	-1.2%	3.4%	\$2,266

TABLE 12

On a scale of 0 to 10 where 0 is not at all concerned and 10 is very concerned please rate each of the following as a potential concern TODAY and 5 YEARS FROM NOW.						
	Mean Today	Mean In 5 Years	Percent Scored 8 or Higher: Today	Percent Scored 8 or Higher: In 5 Years	Rank Today: Based on 8 or Higher Rating	Rank In 5 Years: Based on 8 or Higher Rating
Inflation	7.9	7.2	64.8%	51.7%	1	-1 ↓ 2
Staff burnout	6.9	7.9	54.2%	50.8%	2	-1 ↓ 3
Financial support from major donors	7.0	7.1	51.3%	52.9%	3	2 ↑ 1
Delivering programs and meeting demand	6.8	6.9	50.1%	49.7%	4	-1 ↓ 5
Securing grants from corporate, community and private foundations	6.7	6.8	48.5%	50.3%	5	1 ↑ 4
Competitive salaries to retain staff and attract new staff	6.3	6.6	48.1%	49.4%	6	6
Securing government funding	6.2	6.5	45.2%	47.0%	7	7
Attracting volunteers.	6.2	6.3	41.8%	42.3%	8	-1 ↓ 9
Competition for donor gifts with other charities	6.1	6.2	41.8%	41.4%	9	-2 ↓ 11
Volunteer burnout	6	6.2	41.4%	42.0%	10	10
Financial support from older donors	6.2	6.7	40.3%	46.9%	11	3 ↑ 8
A resurgence of the pandemic	6.1	5	38.9%	26.7%	12	-6 ↓ 18
Stewarding young supporters to become donors.	6.1	6.2	34.4%	35.6%	13	13
Financial support from young donors	6	6.2	33.3%	36.0%	14	2 ↑ 12
Understanding young donors	5.9	5.9	32.2%	30.9%	15	15
Promoting equity, diversity and inclusion in the workplace	5	4.9	31.8%	29.4%	16	16
Resuming in-person events	5.2	4.2	31.6%	20.6%	17	-5 ↓ 22
Operating in an environmentally responsible fashion	5.1	5.3	29.2%	31.7%	18	4 ↑ 14
Finding the right mix of in person and online fundraising events	5.3	5	27.7%	23.6%	19	-1 ↓ 20
Embracing the latest technologies at work	5.3	5.3	26.8%	29.1%	20	3 ↑ 17
Using online fundraising events.	4.9	5	23.5%	24.6%	21	2 ↑ 19
Leveraging data analytics to make decisions	4.8	5	21.6%	22.3%	22	1 ↑ 21
Securing board approval to invest in digital capacity	3.6	3.8	14.2%	14.0%	23	-1 ↓ 24
Securing emerging new types of gifts such as crypto donations	2.9	3.6	10.8%	14.1%	24	1 ↑ 23



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