

Charitable Giving: worth so much more than just a tax break!

By John Hallward

With the arrival of the warmer weather and some sunshine this seems like a good time to shine a light on new research findings about the giving motivations of wealthy Canadians. A ground breaking report released in November 2014 by The GIV3 Foundation, in partnership with Canadian Association of Gift Planners (CAGP), BMO Wealth Management and Philanthropic Foundations Canada (PFC), examines the charitable giving behaviour and motivations of Canadians with investable assets of at least \$1 million as well as professional financial advisors that work with this group.

According to the report, the great majority (91 per cent) of wealthy Canadians gave to charitable causes in the past 12 months. Interestingly, most of these donors are motivated by emotional considerations such as their desire to impact the community (55 per cent), to give back (50 per cent) and their passion for a cause (32 per cent). *Fewer (21 per cent) wealthy Canadians say they are driven to donate because of the tax incentives.*

Wealthy Canadians are also interested in ensuring that their gifts are used wisely. Along with motivations, the research found that affluent Canadians have some hesitations around charitable giving. Among these hesitations, 43 per cent of those interviewed mentioned that their gift might not be used wisely by the receiving organization. Wealthy donors also admitted they do not want to receive an increase in donation requests in the future (26 per cent).

The research also examined the important role of financial advisors in the philanthropic decision making of wealthy Canadians. According to the report, among affluent donors that have had philanthropic conversations with their financial advisor, more than half (52 per cent) found the conversations useful and the vast majority (88 per cent) were satisfied with the help they received. However, the incidence of such conversations is low, with only 13 per cent of those interviewed reporting they had engaged in any philanthropic discussions with their advisors.

It is understandable that donors may have some questions or concerns associated with charitable giving and fortunately financial advisors are in a position to help them overcome any hesitations. Advisors can add significant value to their clients by helping to create a philanthropic plan that aligns with their values, and identify legitimate organizations that are making a difference. This will in turn help to provide peace of mind and ensure their clients' charitable dollars are being used effectively.

We at GIV3 are thrilled to be working with CAGP and other partners in this initiative to engage financial advisors in the philanthropic conversation. We felt intuitively that there is an important opportunity in Canada for advisors to get more engaged in their clients' philanthropic aspirations, and now the research confirms that; it is what clients want, it's good for financial advisors and most of all our communities will benefit.

The results in the report are based on two quantitative online surveys, conducted Canada in September 2014 through Ipsos Canada in partnership with The GIV3 Foundation, Canadian Association of Gift Planners (CAGP), BMO Harris Private Banking and Philanthropic Foundations Canada (PFC). For a copy of the research summary or for more information please [contact The GIV3 Foundation](#).

John Hallward is the founder and chairman of The GIV3 Foundation, a registered charity with the mission to encourage more Canadians to be more giving. He is also a market research professional, working at Ipsos in a global role. In 2007, John had his first book published by Wiley & Sons, "Gimme! The Human Nature of Successful Marketing". In 2011, he published "The Happiness Equation. The Human Nature of Happy People". John is also an active volunteer and a Director on several different non-profit Boards in Montreal.

