



**Generous Canadians?  
Public Policy Options for  
Private Generosity**



# Cardus Mission

Renewing  
Canada's Social  
Architecture

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# Limits of Public Policy

- what do we mean by public policy
- social/cultural/religious and educational trends that are more influential
- public policy as a tool to influence/reward behaviour
- politicized public dialogue



# Demands for Public Policy Action

- Decreasing “Civic Core”
- Shifting Demand

## A Canadian Culture of Generosity:

Renewing Canada's Social Architecture by  
Investing in the Civic Core and the "Third Sector"



RAY PENNING'S AND MICHAEL VAN PELT WITH STEPHEN LAZARUS

A CARDUS DISCUSSION PAPER

CARDUS



# What is the civic core?

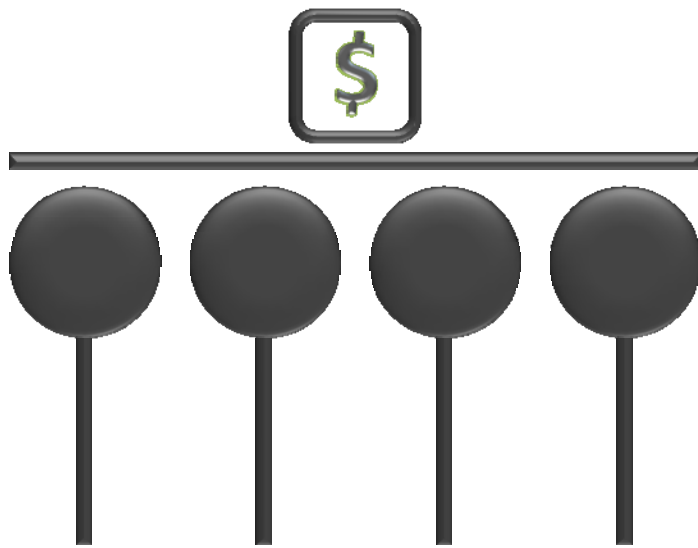




# Who is the civic core?





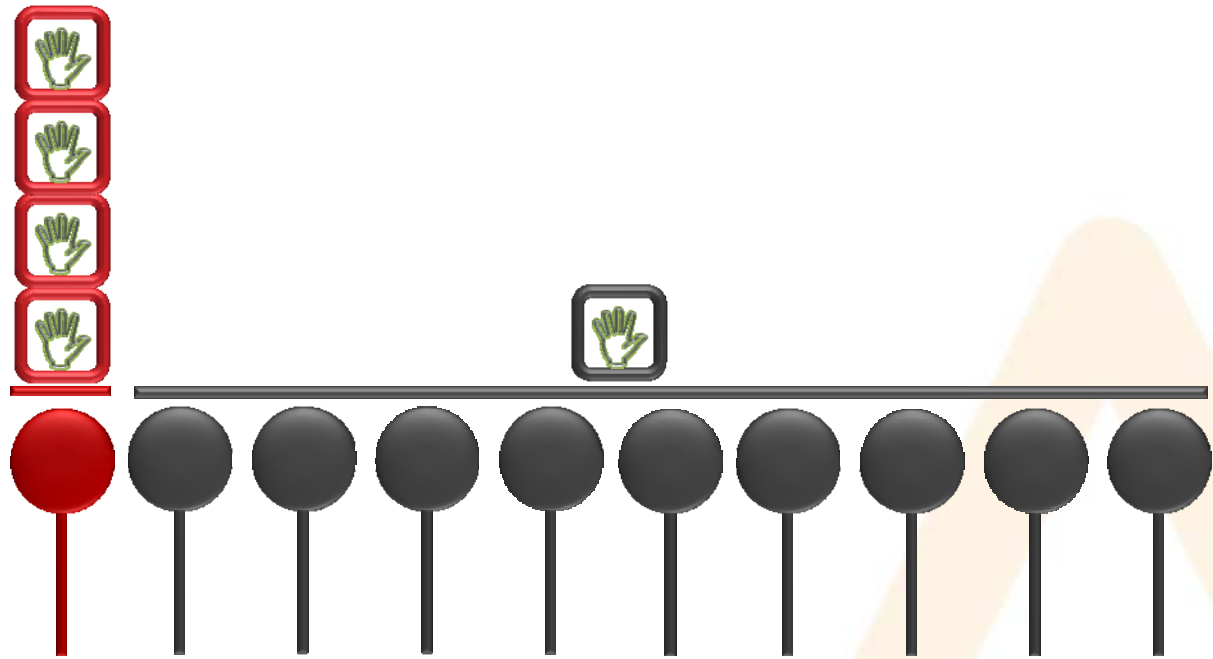


**18%** OF CANADIANS CARRY



**80%** OF CHARITABLE GIVING





**9%** OF CANADIANS  
COVER  
**80%** OF  
VOLUNTEERING

# Charitable donations down 5.3% in 2008

## Median charitable tax claim is \$250

Last Updated: Monday, November 16, 2009 | 1:51 PM ET [Comments](#)  19 [Recommend](#)  18

CBC News

Canadians donated \$8.19 billion to charities in 2008 — a 5.3 per cent drop from the previous year — as the recession led people to contribute a little less to good causes.

It was the lowest annual donation figure since 2005's \$7.9 billion.

The news isn't all bad, however. Figures released by Statistics Canada on Monday show that the number of people whose tax returns reported charitable giving went up by 1.7 per cent in 2008 to almost 5.8 million.

Statistics Canada reported that 24 per cent of those who filed tax returns last year claimed charitable donations. That was the same percentage as in 2007.

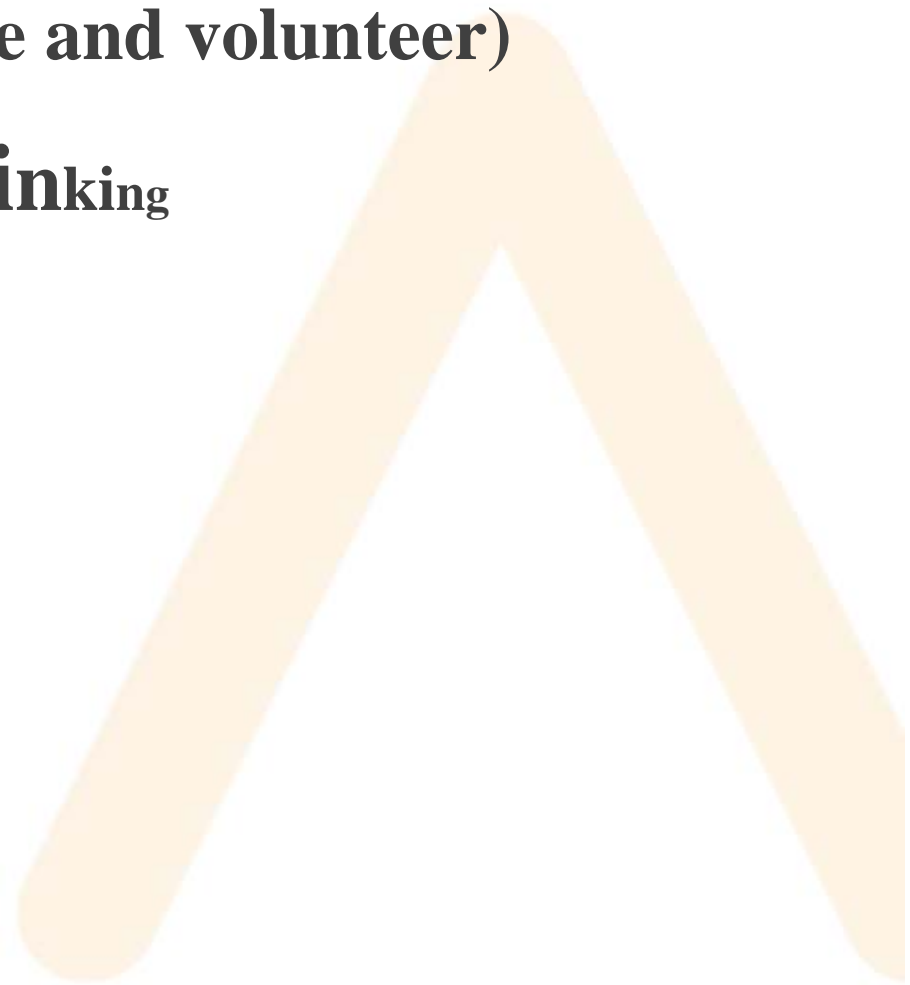




# Canada's civic core

(the people who give and volunteer)

**is shrinking**



# The Shifting Demand for Social Services

WITH PARTICULAR REFERENCE TO THE  
CHARITABLE SECTOR

A **Cardus** Background Paper  
February 2010

CARDUS

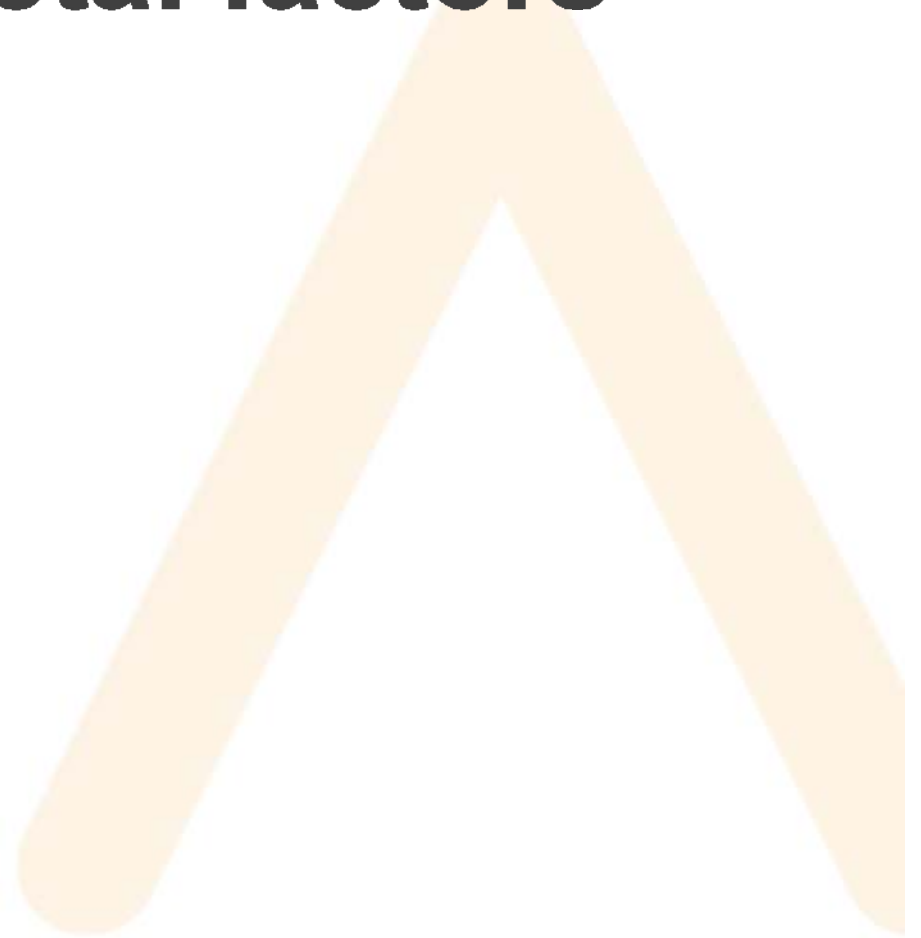


**Demand for charitable  
services is  
growing**





# General societal factors





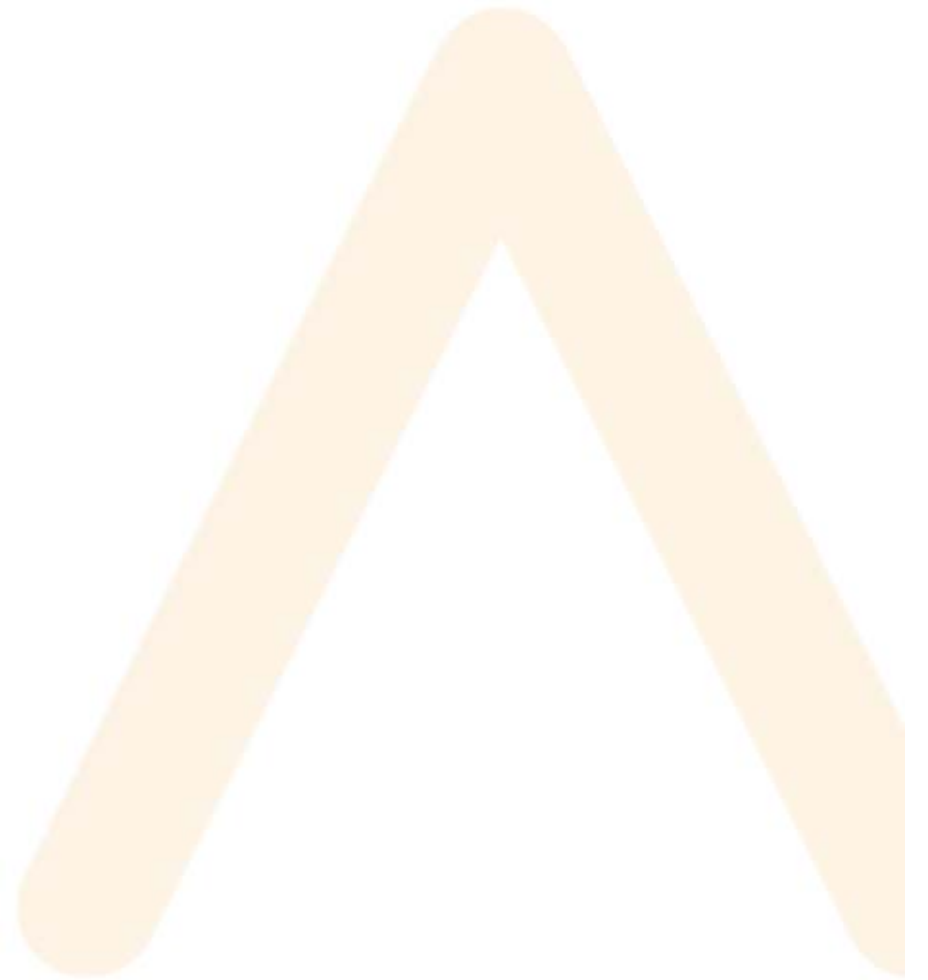
# **Impediments to effective functioning for charities**








# Biggest Public Policy Option?





# Private generosity “*versus*” government generosity



## Tax Expenditures and Evaluations 2008

**Table 1**  
*Personal Income Tax Expenditures\**

	Estimates			Projections				
	2003	2004	2005	2006	2007	2008	2009	2010
	(\$ millions)							
<b>Charities, Gifts and Contributions</b>								
Charitable donations credit	1,825	2,000	2,260	2,390	2,505	2,640	2,790	2,955
Reduced inclusion rate for capital gains arising from donations of publicly listed securities and ecologically sensitive land <sup>1</sup>	6	9	9	27	45	46	46	46
Non-taxation of capital gains on gifts of cultural property <sup>2</sup>	8	18	9	9	8	10	11	11
Non-taxation of gifts and bequests	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Political contribution tax credit <sup>3</sup>	11	22	26	26	14	27	14	14
<b>Culture</b>								
Assistance for artists	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Deduction for artists and musicians	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

**Table 1**  
**Personal Income Tax Expenditures\***

	Estimates <sup>1</sup>			Projections <sup>1</sup>		
	2004	2005	2006	2007	2008	2009
	(\$ millions)					
<b>Charities, Gifts and Contributions</b>						
Charitable Donations Credit	2,000	2,260	2,480	2,495	2,380	2,380
Reduced inclusion rate for capital gains arising from donations of publicly listed securities <sup>2</sup>	8	9	26	50	34	34
Reduced inclusion rate for capital gains arising from donations of ecologically sensitive land <sup>3</sup>	\$	\$	\$	\$	3	3
Non-taxation of capital gains on gifts of cultural property <sup>4</sup>	18	10	4	6	7	7
Non-taxation of gifts and bequests	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Political Contribution Tax Credit <sup>5</sup>	22	26	24	18	25	18
<b>Culture</b>						
Assistance for artists	–	\$	\$	\$	\$	\$
Deduction for artists and musicians	–	\$	\$	\$	\$	\$



# Charitable Tax Proposal Comparison



# Edges of Public Policy

- CSR
- Cause Marketing
- Social Enterprise
- Religious communities

**Questions?**

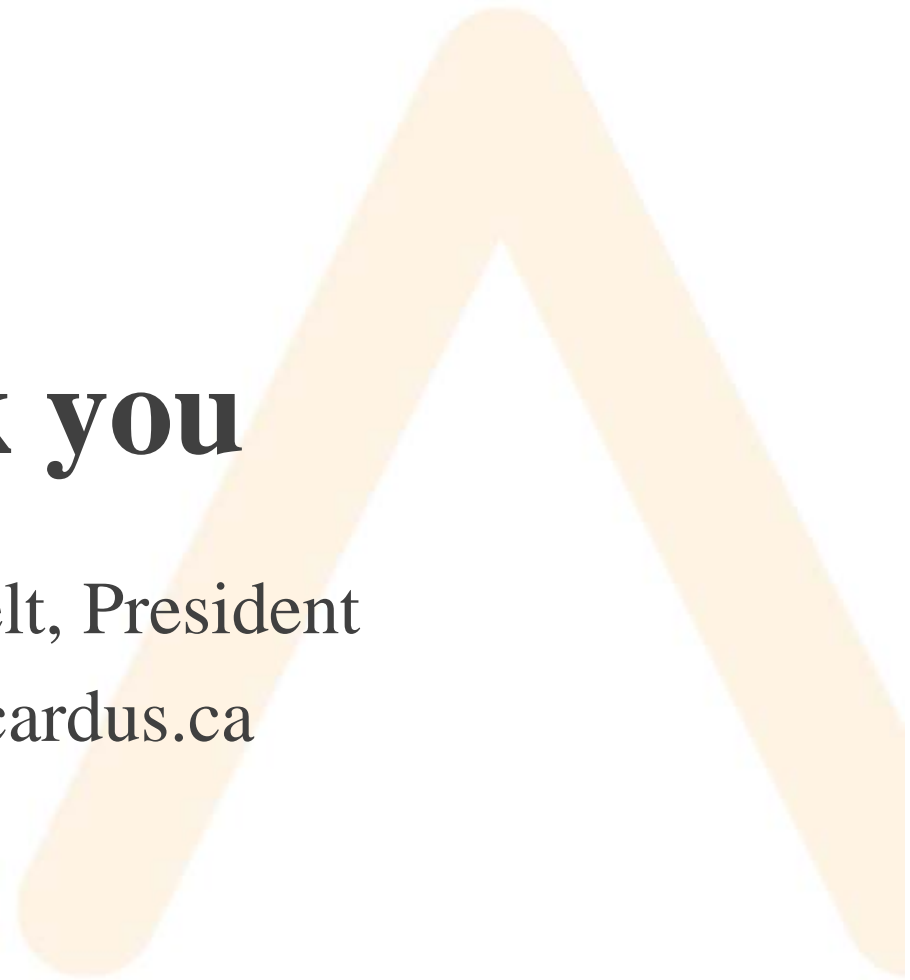






# Thank you

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# Notes

