Good morning Mr. Chairman, and fellow Senators.

Thank you for this opportunity to present the findings of our research and insights.

I am John Hallward, founder and chairman of The GIV3 Foundation, a registered charity with the unique mission to help encourage more Canadians to be more giving...

GIV3 creates and hosts innovative programs to engage and encourage Canadians to give more. We co-host the impactful GivingTuesday initiative in Canada, in partnership with over 6,000 charities, as well co-host The Great Canadian Giving Challenge with CanadaHelps, which raised over $11 million for charities this past June.

GIV3 is also keen to contribute to the discussions on government policies to best address and reverse the weakening trends in giving behaviour across Canada. We refer to this as the Billion Dollar Opportunity...

Why?
Because had our nation remained at the same giving levels as 40 years ago, it would represent over $2 Billion in additional donations from Canadians to charities each year. This is the size of the drop in our giving behaviour, annually. And for the sake of our communities, our quality of life, and for those who need our help, we are most interested in solutions to reverse the declining giving behaviour in Canada.

Based on our research, we believe the solution to reverse the trends does not require increases in tax credits, or other forms of lost tax revenue to The Canada Revenue Agency. Instead, we believe the solution requires a focus on boosting giving values, defining giving norms, and supporting the importance of giving in our communities. It so happens that this is also a much more affordable approach to the public purse: We are talking about a new multi-pronged social initiative that educates, inspires, leads, and celebrates greater giving (and volunteering). Something that would cost less than $20 million annually.

So, why do we feel this way?

You may be aware, there is very weak relationship between provincial charity tax credits and giving levels in the respective provinces.
- Among the provinces, Quebec offers the highest charity tax credits in Canada, but provides the weakest giving behaviour.
- Nunavut, on the other hand, offers the lowest charity tax credits and has the strongest giving behaviour.
Furthermore, we also observe different giving behaviour by various religious and cultural groups within each tax jurisdiction. That is, their giving behaviour differs despite having the same tax credit incentives.

– So, in short, giving is much more related to values, upbringing, and social characteristics and not so related to tax credits. In fact, there is no correlation between tax credits and giving levels across Canada!

In a study we just concluded in the USA with an American partner, we learned that giving levels hinge on donor values, the priorities they put on giving, and their personal motivations toward philanthropy. We believe the same pattern likely applies in Canada.

...Furthermore, we have observed in our Canadian research the importance of mentorship, upbringing, being taught to be a giver, and knowing the social giving norm. -- The more evident these characteristics, the higher the observed giving behaviour of the individual.

These insights consistently imply that the solution to our declining giving behaviour is not tax-based, but values-based. The declines in giving are in correlation to the decline in religiosity and the values almost all religions teach. In turn, we believe Canada requires a solution which address our giving values, and reminds Canadians of the importance of supporting our fellow Canadians in need.

The Great Canadian Giving Challenge and GivingTuesday offer the license-to-believe that the right kind of social initiatives can truly work. Both of these programs have provided measured increases in donations.

- GivingTuesday has generated 468% lift in donations versus the same Tuesday in 2012, the year before we introduced GivingTuesday to Canada. And a comprehensive data review in the US indicates GivingTuesday day raised over $300 million online last year.
- The Great Canadian Giving Challenge has generated a 150% increase for the month of June, 2017, versus the month of June in 2014, prior to the introduction of this initiative.

In order to act on the Billion Dollar Opportunity, we envision a new initiative to encourage a greater culture of giving and generosity. We envision something like the ParticipACTION program, which is a federally funded campaign to encourage greater exercise activity as a public good. We envision something similar to encourage greater giving as a public good.

- To ensure maximum efficiency, with minimal duplication, we envision one overall integrated, coordinated, and focused initiative, leveraging collaboration across the sector.
  - Perhaps assigned to the Ministry of National Revenue as a natural fit (?).
  - Perhaps for a budget of $10M to $20M.

- The initiative would comprise a multi-pronged approach, with multiple targets, young and old ...
  - To constantly teach and remind the benefits of charity as part of a caring civil society.
✓ To address any negative perceptions of charities,
✓ To help reduce barriers to giving,
✓ To facilitate the ease of giving and volunteering,
✓ To explore the benefits of defining social norms, and

In closing, it would be unfortunate to have to look back 20 years from now and answer why no one did anything while we had the opportunity to act, and while we still had current charitable mentors to leverage at this time, especially since we are not talking about an expensive budget solution, which would pay back multiples of ten-fold. The size of the $2 Billion Opportunity begs us to do something. I hope you agree with our perspective?

Thank you for your attention and interest in this type of solution.

Appendix follows...
Supporting Arguments

1) Declines in Giving Behaviour: As one can observe in the next three charts, sourced from Statistics Canada, the giving behaviour of Canadian citizens is not keeping pace with inflation and shows concerning declines in the incidence of giving.

$ Donation per tax filer (2001 to 2016)

$ Donations as a percent of Total Income (2001 to 2015)

Incidence of Tax Filers Claiming Charitable Tax Credit in T1 Tax Returns
2) **A weak relationship between charity tax credits and giving:** In the chart below, we observe that Quebec has the most generous tax incentive of all provinces, but it also has the weakest charitable behaviour. Nunavut has the highest giving based on the lowest tax credit. In fact, this chart shows a negative correlation between giving and tax credits. In addition, many cultural groups exceed the Canadian average despite having the same tax system. In turn, we believe the solution to supporting greater charitable behaviour is more than just tax incentives.

![Median $ Donation Level per Province, and Corresponding Tax Credits](image)

3) **Leadership, Social Norms, and Encouragement:** In an Ipsos Canada survey (among over 1,000 Canadian adults), conducted for GIV3, we observed that those who were brought up to be giving are indeed more giving, and those who have a good sense of the social norm for giving are also more generous (see chart below):

**Q.** “For someone in your financial situation, do you feel you know what the average level of charitable giving is, or not really?”

<table>
<thead>
<tr>
<th>Charity Tax Credit (% of First $200 donated)</th>
<th>“No, do not know”</th>
<th>“Have a vague sense”</th>
<th>“Yes, have a good sense”</th>
</tr>
</thead>
<tbody>
<tr>
<td>N.W.T.</td>
<td>19</td>
<td>20.9</td>
<td>22</td>
</tr>
<tr>
<td>Yukon</td>
<td>22</td>
<td>20</td>
<td>25</td>
</tr>
<tr>
<td>B.C. Alberta</td>
<td>26</td>
<td>25.8</td>
<td>22</td>
</tr>
<tr>
<td>Sask</td>
<td>22</td>
<td>32.5</td>
<td>27</td>
</tr>
<tr>
<td>Man</td>
<td>24.7</td>
<td>23.8</td>
<td>22.7</td>
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<tr>
<td>Ont</td>
<td>27</td>
<td>27</td>
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<tr>
<td>Que</td>
<td>24.7</td>
<td>23.8</td>
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<tr>
<td>N.B.</td>
<td>27</td>
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<tr>
<td>N.S.</td>
<td>32.5</td>
<td>23.8</td>
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<tr>
<td>P.E.I.</td>
<td>24.7</td>
<td>23.8</td>
<td>22.7</td>
</tr>
<tr>
<td>N + L</td>
<td>27</td>
<td>27</td>
<td>22.7</td>
</tr>
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<table>
<thead>
<tr>
<th>Average Annual $ Donation Level</th>
<th>“No, do not know”</th>
<th>“Have a vague sense”</th>
<th>“Yes, have a good sense”</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$485</td>
<td>$544</td>
<td>$844</td>
</tr>
</tbody>
</table>
4) License-to-believe; the success of “GivingTuesday” – This is a day of giving back to kick-off the giving season after the retail promotions of Black Friday and Cyber Monday. GIV3 brought GivingTuesday to Canada following the example in the USA. GIV3 has co-hosted it with CanadaHelps.org since 2013. CanadaHelps data from the latest GivingTuesday in 2017 proves that the right kinds of social initiatives can have measurable impact on behaviour.

- 25% lift in dollar donations processed vs. last year (2016) and a 468% lift vs. 2012
  - With no cannibalization on giving across December, and some positive lagged benefits.
- 4,590 new donors, 15% increase vs. last year (2016) and 500% lift vs. 2012
- 54% increase in scheduled monthly donations vs. last year and 564% lift vs. 2012

The Payoff

If we could return the giving level to 1% of income as it was 40 years ago, it would generate an additional $2+ Billion, annually, for the Charitable Sector. This would relieve pressure on government-provided services, help empower local ownership of the needs, bring communities together, and help protect the civil society Canada enjoys.

Otherwise, we continue to observe a declining in giving. It will be unfortunate to have to look back 20 years from now and answer why no one did anything while we had charitable mentors to leverage at this time. The size of the loss begs us to do something!